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**SEC Form ADV Part 2A**

**Firm Brochure**

**March 28, 2024**

This brochure provides information about the qualifications and business practices of FC Capital Management, LLC (the “Adviser”). If you have any questions about the contents of this brochure, please contact us at telephone number (704) 414-2880. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

THIS BROCHURE DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY ANY SECURITIES. POTENTIAL INVESTORS SHOULD REFER TO THE OFFERING DOCUMENTS OF THE APPLICABLE PRIVATE FUND CLIENT (AS DEFINED HEREIN) PRIOR TO CONSIDERING AN INVESTMENT IN SUCH PRIVATE FUND CLIENT.

Additional information about the Adviser is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## ***Item 2 - Material Changes***

Please note that since the filing of the previous brochure dated March 30, 2023, there have been no following material changes.

Additionally, certain non-material changes have been made to this brochure since our last submission and consequently, we encourage you to review this brochure in its entirety.

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## ***Item 4 - Advisory Business***

### General Information

FC Capital Management, LLC, d/b/a/ Frontier Growth (the “Adviser”) is a Delaware limited liability company organized in October 2007.

### Frontier Funds Investment Advisory Services

The Adviser provides investment advisory services to certain pooled investment vehicles (each a “Fund” and collectively, the “Funds”) that are exempt from registration under the Investment Company Act of 1940, as amended (the “1940 Act”) and whose securities are not registered under the Securities Act of 1933, as amended (the “Securities Act”). As the investment adviser to each Fund, the Adviser identifies investment opportunities for, and participates in the acquisition, management, monitoring and disposition of investments of, the applicable Fund.

The following related persons of the Adviser, each of which is under common control with the Adviser, serve as the general partners of the Funds (the “General Partners”): (i) Frontier Capital, LLC; (ii) Frontier III Investment Group, LLC; (iii) Frontier IV Investment Group, LLC; and (iv) Frontier V Investment Group, LLC and (v) Frontier Opportunity Fund GP, LLC. In providing services to the Funds, the Adviser and the General Partners seek to tailor their services to the needs of the Funds.

*Frontier Funds.* The Adviser provides discretionary investment advisory services to the following Funds: (i) Frontier Fund III, L.P.; (ii) Frontier Fund IV, L.P.; (iii) Frontier Fund V-A, L.P., (iv) Frontier Fund V-B, L.P., (v) Frontier Opportunity Fund-A, L.P. and (vi) Frontier Opportunity Fund-B, L.P. (the “Frontier Funds”). For the Frontier Funds, the Adviser targets un-levered investments in software and technology-enabled business services companies that exhibit profitability or near profitability, predictable revenue, high gross margins and high growth potential. Investments made by the Frontier Funds are typically structured as preferred equity to enhance returns and to provide downside protection. Although the primary focus of each of the Frontier Funds is on private equity investments, the Adviser may from time to time recommend other types of investments consistent with the respective Fund’s investment strategy and objectives, as set forth in its offering documents.

### Investment Discretion

All the Adviser’s investment advisory services are provided on a discretionary basis. As of December 31, 2023, the Adviser had approximately \$1,795,381,801 in assets under management.

### Principal Owners

Richard T. Maclean, Andrew D. Lindner and Goldpark Limited are the principal owners of the Advisor.

### ***Item 5 - Fees and Compensation***

#### Fees for Frontier Funds Investment Advisory Services

The Frontier Funds generally pay the Adviser an annualized management fee of up to 2.0%, as set forth below, and as further described in each Frontier Fund's offering documents (the "Management Fee"). The Management Fee is typically paid quarterly in advance and is deducted from the applicable Frontier Fund. Initially, each Frontier Fund pays the Management Fee on each investor's committed capital. After the investment period and upon the happening of certain other events, as described in detail in the offering documents of each Frontier Fund, the percentage fee of the Management Fee may be reduced.

#### Other Fees

In addition, each client is also responsible for certain of its operating expenses including, without limitation, legal, accounting, tax, auditing and administrative fees, as outlined in its offering documents. Each client is also responsible for brokerage commissions and custodial fees paid to third parties.

#### Miscellaneous Information about Fees and Compensation

In the event of a termination of a client's investment advisory agreement, fees will be pro-rated. Any paid but unearned fees will be promptly refunded to such client, and any fees due to the Adviser from this client will be invoiced or deducted from the client's account prior to termination. Notwithstanding the foregoing, the Adviser may negotiate or set a management fee different from the foregoing with respect to any Fund it manages.

Additional information related to the foregoing fee discussion is set forth below under Item 6 "*Performance-Based Fees and Side-By-Side Management*" and Item 12 "*Brokerage Practices*".

### ***Item 6 - Performance-Based Fees and Side-By-Side Management***

While the Adviser does not receive a performance-based fee, the General Partner of each Fund generally is entitled to receive a distribution of carried interest of up to 20% of the net profits earned by each limited partner in each Fund, subject to an 8% preferred return. While the Funds have long-term investment strategies, potential investors should note that a carried interest arrangement may nonetheless provide an incentive for the Adviser to seek higher returns by making investments that are riskier or more speculative than would be the case in the absence of such an arrangement.

Notwithstanding the foregoing, the Adviser or its affiliates may negotiate or set carried interest or other terms that are different from the foregoing with respect to each Fund.

## ***Item 7 - Types of Clients***

The Adviser currently provides investment advisory services exclusively to the Funds which are the Adviser's clients, subject to the direction and control of the General Partner of each Fund, and not individually to the limited partners of a Fund.

### Minimum Investment Requirement for the Funds

The minimum investment requirement for the Funds generally ranges between \$100,000 to \$5,000,000. However, the General Partner of each Fund, in its sole discretion, may permit investments that are less than the required minimum investment commitment set forth in the applicable Fund's offering documents.

## ***Item 8 - Methods of Analysis, Investment Strategies and Risk of Loss***

### Methods of Analysis and Investment Strategies

*Investment Strategies for the Frontier Funds.* The Adviser's strategy for the Frontier Funds consists of investing in directly sourced, established, high growth companies in the lower middle market. The Adviser targets investments in software companies that exhibit profitability or near-profitability, predictable revenue, high gross margins and high growth potential. Frontier Fund investments are typically structured as preferred equity to enhance returns and to provide downside protection.

*Methods of Analysis for the Frontier Funds.* The Adviser's stage and sector focus enable it to employ an intensive direct sourcing process, which helps generate investment opportunities. As potential investment prospects arise, generally the Adviser constructs a detailed initial summary memo outlining the opportunity, investment thesis and areas for further diligence ("Initial Summary"). The Initial Summary serves as the basis for further discussion of the opportunity, including scenarios under which the Adviser would be interested in pursuing an investment. Where appropriate, the Adviser may use trusted third-party consultants to enhance its internal diligence work. Through a combination of the Adviser's own analysis, customer, market and reference calling, extensive management interaction, use of third-party consultants and local market familiarity, the Adviser is able to obtain a holistic view of the investment prospect.

### Risk of Loss

While the Adviser seeks to diversify each Fund's investment portfolio by investing in multiple companies, all investment portfolios are subject to risks. Accordingly, there can be no assurance that a Fund will be able to fully meet its investment objectives and goals, or that investments will not lose money. Below is a description of several of the principal risks that each Fund may face.

*General Risks of Private Company Investments.* The Funds' investments will be subject to the risks generally inherent in privately held businesses. These risks include, without limitation, risks that the

privately-held businesses (i) will not be able to attract sufficient capital to meet operating needs; (ii) will not have products or services that are accepted in the market; (iii) will not be able to attract a work force of a sufficient size; and (iv) will have competitors that are better funded. Further, since the Funds will likely make investments in early-stage companies or companies that have limited operating histories, there is a higher risk than that associated with investments in mature companies with longer operating histories.

*Risks of Venture Investing.* The portfolio companies in which the Funds invest are likely to face intense competition, including competition from companies with greater financial resources, more extensive development, production, marketing and service capabilities, and a larger number of qualified managerial and technical personnel. There can be no assurance that the development or marketing efforts of any particular portfolio company will be successful or that its business will be profitable.

*Illiquidity.* Investment in the Funds requires a long-term commitment, with no certainty of return. The Funds do not expect to generate cash flow to the limited partners in the near term. Most of the Funds' investments will be highly illiquid and there can be no assurance that the Fund will be able to realize return of its capital or profits on such investments in a timely manner, if at all.

*Reliance on the General Partner and the Principals.* Each Fund's General Partner will have exclusive responsibility for managing that Fund's activities, and limited partners will not be able to make investments or any other decisions in the management of the Funds. Additional members may be admitted to the General Partners following a Fund's initial closing, existing members may withdraw, and the limited partners will have no power to prevent any specific person from being admitted to, or withdrawing from, a General Partner. The loss of any individual principal of a General Partner could have a significant adverse impact on the business of a Fund.

*Conflicts of Interest.* The principals of the Funds currently manage multiple Funds that are engaged in similar investment activities. As such, conflicts between the interests of one Fund and another Fund may arise from time to time in differing contexts. The offering documents contain certain protections for limited partners against conflicts of interest faced by the General Partner and its members, but do not purport to address all types of conflicts that may arise. By acquiring a limited partnership interest in a Fund, each investor will be deemed to have acknowledged the existence of such actual and potential conflicts of interest and to have waived any claim with respect to the existence of any such conflicts of interest. The Funds or the General Partners may, in certain circumstances, choose to seek

the approval of a Fund's Advisory Committee, which consists of representatives from each Fund's limited partners, with respect to certain conflicts of interest. Any such approval of the Advisory Committee will be binding.

Please see each Fund's offering documents for information about the specific risks associated with an investment in that Fund.

### ***Item 9 - Disciplinary Information***

The Adviser has no disciplinary events to disclose.

### ***Item 10 - Other Financial Industry Activities and Affiliations***

The General Partner of each Fund is an advisory affiliate of the Adviser.

Frontier Growth Partners ("FGP"), an affiliated entity of the Adviser, provides consulting services to portfolio companies in which the Funds invest. None of the Funds' portfolio companies contractually are required to engage FGP for its consulting services; however, some of the Funds' portfolio companies engage FGP for specific projects in connection with the Funds' investments. As payment for FGP's consulting services, the Funds' portfolio companies pay fees to FGP, which the Adviser believes are at market rates. The portfolio companies may pre-pay FGP's fees as part of the investment deal, or the portfolio companies may pay FGP's fees over time, as the consulting services are provided. This arrangement presents an actual or apparent conflict of interest because the Funds' portfolio companies may believe that they are practically required to engage FGP for its services, and in connection therewith will pay FGP for such services, without the benefit of negotiations as would typically occur in arm's length transactions. The fees paid to FGP are in addition to the management fees paid by the Funds and do not otherwise offset any fees that the Funds pay to the Adviser or its affiliates.

### ***Item 11 - Code of Ethics, Participation or Interest in Client***

#### ***Transactions***

##### Code of Ethics ("Code")

Under the Investment Advisers Act of 1940, as amended (the "Advisers Act"), the Adviser and its principals and certain employees ("Supervised Persons") owe fiduciary duties to their clients. Consistent with these duties, the Adviser has adopted the Code that, among other things, requires that its Supervised Persons reflect the professional standards expected of investment advisers and comply with federal and state



securities laws and regulations pertaining to the Adviser. Under the Code, Supervised Persons should place the interests of clients first, ahead of their own personal interests, and generally seek to treat clients fairly. In addition, Supervised Persons are prohibited from engaging in any practice that defrauds or misleads any client or investor or engaging in any manipulative or deceitful practice with respect to clients, investors or securities.

The Code also includes provisions addressing personal trading by Supervised Persons, as summarized below:

*Personal Trading.* Under the Code, Supervised Persons are generally required to submit information about their personal trading activities to the Adviser's CCO or the CCO's designee for review. In addition, Supervised Persons are generally required to notify the CCO or the CCO's designee and obtain advance approval of certain personal trades in securities that may be traded by the Adviser for client accounts or otherwise affected by investments made on behalf of clients. Violations of the Code may result in disciplinary action up to and including dismissal.

*Participation or Interest in Client Transactions.* Under the Code, Supervised Persons are prohibited from trading in securities on the basis of material, non-public information or communicating material, non-public information about the issuer of any security to any other person.

The Adviser will provide a copy of the Code to any investor in one of our Funds upon request.

### ***Item 12 - Brokerage Practices***

The Adviser does not normally utilize the services of broker-dealers for transaction related services. If the Adviser chooses to use a broker-dealer for a securities transaction, the Adviser will seek to obtain best execution for any such transactions.

#### **Aggregation of Trades**

The Funds normally do not actively trade in securities. However, the Adviser may aggregate a Fund's securities trades with those of another Fund. Generally, Funds participating in an aggregated order receive a same price of all trades placed that trading day and pay their ratable share of applicable fees and costs. In some cases, the Adviser may be excluded from aggregated block trades due to available committed capital, legal or regulatory concerns, or other reasons.

### ***Item 13 - Review of Accounts***

### Oversight and Monitoring

Generally, the portfolio managers of each Fund review Fund accounts quarterly. These reviews will focus on appropriateness of the Fund's investments for the Fund's portfolio and the performance of the Fund.

### Reporting

Investors in the Funds generally receive, among other things, a copy of audited financial statements of the relevant Fund within 90 days after the fiscal year end of the Fund. In addition, investors in each Fund may receive unaudited summary financial information regarding the Fund following the end of each financial quarter. Investors in the Funds also receive regular reporting updates through letters and investor meetings.

### ***Item 14 - Client Referrals and Other Compensation***

The Adviser does engage solicitors who refer investors. The Adviser or its affiliates may, in certain instances, receive discounts on products and services provided by portfolio companies, and/or receive compensation for services provided to portfolio companies.

### ***Item 15 - Custody***

The Adviser (through the General Partners) is deemed to have custody of certain assets of the Funds. The Funds' qualified custodian is Millennium Trust Company (rebranded as Inspira Financial). The Adviser entered into a contract with Millennium Trust Company in 2021. All the Funds' certificated investment securities are held by the qualified custodians on behalf of the Funds. The Adviser does not use the qualified custodian to send quarterly account statements directly to the Funds or investors in the Funds. Each Fund is audited annually, and the annual audited financial statements of each Fund are sent to the Fund's investors.

### ***Item 16 - Investment Discretion***

The Adviser has discretionary authority to determine the investments to be bought or sold and the amounts to invest for each client, including the Funds under the governing documents of the Funds and other agreements.

### ***Item 17 - Voting Client Securities***

As a general policy, the Adviser votes proxies related to securities held in Fund accounts in a manner that serves the best interests of the Fund. Clients have no authority to direct the vote of the Adviser. In voting securities held by a Fund, the Adviser will attempt to resolve any conflict of interest between the Fund and the Adviser's business interests in the way that will most benefit the Fund. The Adviser

maintains a detailed Proxy Voting Policy and a record of how the Adviser has voted proxies, each of which is available to the Funds' investors upon request.

***Item 18 - Financial Information***

The Adviser does not require or solicit prepayment of fees six months or more in advance, and the Adviser currently does not have any financial condition that is reasonably likely to impair its ability to meet its contractual commitments to clients.