

1. Cover Page

Part 2A of Form ADV: Firm Brochure

FVLCRUM Partners, LLC

2600 Tower Oaks Blvd. Suite 230

Rockville, MD 20852

Email: Investorrelations@fvlcrum.com

Phone: (202) 960-1170

fvlcrum.com

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This brochure provides information about the qualifications and business practices of FVLCRUM Partners, LLC. If you have any questions about the contents of this brochure, please contact us at (202) 960-1170 or investorrelations@fvlcrum.com. 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.

Additional information about FVLCRUM Partners, LLC also is available on the SEC's website at www.adviserinfo.sec.gov.

Registration does not imply a certain level of skill or training.

2. Material Changes

FVLCRUM Partners, LLC is preparing and filing this Part 2A Firm Brochure (“**Brochure**”) as an amendment to their previously filed Brochure with the United States Securities and Exchange Commission (“**SEC**”). Since its last filing on June 29, 2023, the only material change to this Brochure is the assets under management described in Item 4.E.

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4. Advisory Business

Item 4.A.

FVLCRUM Partners, LLC (“**FVLCRUM**” or “**Adviser**”) is a Delaware limited liability company formed in July 2020. FVLCRUM is led by four principals: Chijioke Asomugha, Harrison Perry, Marques Martin, and Benjamin Carson, Jr. (each a “**Principal**” and collectively, the “**Principals**”). FVLCRUM serves as the investment adviser to a fund structure comprised of three private pooled investment vehicles for sophisticated investors (the “**Fund**”). FVLCRUM Holdings LLC, a Delaware limited liability company, is the general partner of the Fund (the “**General Partner**”).

Item 4.B.

FVLCRUM pursues its investment strategy through managing the Fund’s portfolio. FVLCRUM has discretion with respect to investment decisions made for the Fund. FVLCRUM provides investment advisory services to the Fund based on the investment objectives and strategies described in the Fund’s confidential offering memorandum and governing documents (referred to collectively as “**Offering Documents**”).

FVLCRUM was established to invest in lower middle market, minority-owned companies in the United States principally in the government contracting, healthcare and business services sectors. FVLCRUM’s mission is to close the U.S. racial wealth gap and simultaneously drive investor returns by providing equity capital and leveraging network capital to grow minority businesses and their communities.

FVLCRUM does not limit its advisory services to certain types of securities as outlined in the Fund’s investment management agreement.

Item 4.C.

FVLCRUM provides investment advisory services in accordance with the Fund’s investment management agreement and Offering Documents. FVLCRUM will not tailor its advisory services to the individual needs of its Fund’s underlying investors. Underlying investors also cannot impose restrictions on the investment activities of the Fund. While there is a Fund advisory committee (“**Advisory Committee**”) comprised of Fund investors that consults with FVLCRUM concerning the Fund’s activities and operations as to business matters, including conflicts of interest, this committee does not take part in the management or control of the Fund.

Item 4.D.

FVLCRUM does not participate in wrap fee programs.

Item 4.E.

As of December 31, 2023, FVLCRUM has approximately \$298M of discretionary regulatory assets under management. FVLCRUM does not manage any assets on a non-discretionary basis.

5. Fees and Compensation

Below is a discussion of how the Adviser will be compensated in connection with providing advisory services to the Fund. The Adviser may enter different fee arrangements on an investor-by-investor basis. It is critical that all Fund investors refer to the Fund's governing documents for a complete understanding of how the Adviser and its affiliates are compensated for advisory services.

Item 5.A.

The following information is a summary only and is qualified in its entirety by the Fund's governing documents:

Management Fee. During the Fund's investment period, the Fund will pay a management fee (the "**Management Fee**") to FVLCRUM in advance on a quarterly basis in an aggregate amount equal to 2% per annum of the aggregate invested capital. Thereafter, the Management Fee will be 2% per annum of the invested capital of the investors in all investments held by the Fund as of the last day of the preceding calendar quarter (i.e., excluding all investments that have been disposed of, completely written-off or written-down to the extent of such write-down).

The Management Fee may be paid out of current income and disposition proceeds of the Fund and, to the extent necessary, from drawdowns of capital which will reduce the remaining invested capital. FVLCRUM in its sole discretion may allocate any portion of the Management Fee to affiliates, consultants, or service providers as it deems necessary.

Carried Interest. Distributions from the Fund are subject to a carried interest (the "**Carried Interest**") after a Fund's investors receive a return of capital and a stated preferred return. Next, distributions are shared between the investors and an affiliate of the Adviser according to a catch-up provision, after which the Adviser affiliate receives a Carried Interest of all additional distributions up to 20%. Distributions are generally made after receipt by the Fund of investment proceeds relating to its portfolio investments.

Other Fees and Compensation to FVLCRUM and/or its affiliates. Transaction, monitoring, advisory, investment banking, directors', breakup and other similar fees (net of expenses) received by the General Partner, FVLCRUM and/or their affiliates in respect of investments made by the Fund ("**Offset Fees**") will be credited 80% against future Management Fees.

To the extent such offsets would reduce the Management Fee for a given quarter below zero, such offsets will be carried forward and reduce future installments of the Management Fee.

Offset Fees received by the General Partner, FVLCRUM and their affiliates with respect to any investment acquired jointly by the Fund and any pooled investment vehicles managed or sponsored by the General Partner, FVLCRUM and/or their affiliates (each, an "**Other Managed Fund**") shall be applied to offset the management fees received by the General Partner, FVLCRUM and each such affiliate from the Fund and each such Other Managed Fund, as the case may be, on a pro rata basis based on the respective interests of the Fund and each such Other Managed Fund in

such investment, irrespective of whether the Fund and/or such Other Managed Funds are actually entitled to receive a management fee offset pursuant to their operating documents.

Item 5.B.

The annual Management Fees will be payable, quarterly in advance, by the Fund to the Adviser and Carried Interest amounts are paid directly to an affiliate of the Adviser (generally the Fund's general partner) as specified in A, in each case on the terms provided for in the applicable Fund's governing documentation.

Item 5.C.

With respect to the Fund, and as more fully described in the Fund's governing documents, the Fund will bear costs and expenses relating to its organization and formation, continuation, and business. Such expenses include:

Operating Expenses. The General Partner and the Adviser will pay all of their ordinary administrative and overhead expenses in managing the Fund investments, including salaries, benefits, travel, and rent.

The Fund will bear, or reimburse the General Partner and the Adviser, all of its expenses, including, but not limited to, expenses relating to its portfolio investments (including legal and accounting fees and expenses, due diligence, broken deal expenses, and other transaction costs incurred in connection with portfolio companies and possible portfolio companies), liability insurance, ongoing operating expenses of the Fund (including administrative, which includes the cost of the Fund's administrator, legal and accounting fees and expenses), the Management Fee, annual meeting expenses, Advisory Committee expenses, expenses of attending portfolio company board meetings and other portfolio company meetings, to the extent the portfolio company is unable to bear the expense, and any extraordinary expenses.

Organizational Expenses. The General Partner and the Adviser will pay all of their ordinary overhead expenses in managing the Fund investments, including salaries, benefits, travel, rent, utilities and other ordinary and recurring expenses of management.

The Fund will bear, or reimburse the General Partner and the Adviser, all other fees, costs, expenses, liabilities and obligations of the Fund, including, but not limited to, expenses relating to its portfolio investments (including legal and accounting fees and expenses, due diligence, broken deal expenses, and other transaction costs incurred in connection with portfolio companies and possible portfolio companies), liability insurance, ongoing operating expenses of the Fund (including administrative, which includes the cost of the Fund's administrator, legal and accounting fees and expenses), the Management Fee, annual meeting expenses, Advisory Committee expenses, expenses of attending portfolio company board meetings and other portfolio company meetings, to the extent the portfolio company is unable to bear the expense, and any extraordinary expenses, any parallel investment entity organized by the General Partner to facilitate investments made by certain investors, the General Partner, the Adviser, including out-of-pocket expenses of any

placement agent (but excluding placement fees), and up to \$100,000 of the out-of-pocket expenses of the lead anchor investor in connection with its investment in the Fund.

The Adviser does not maintain any trading accounts and does not anticipate using “soft” dollars. Please refer to Item 12, Brokerage Practices, for more information.

Item 5.D.

The Management Fees described above are anticipated to be payable quarterly in advance. The Management Fee obligation of a Fund, and its investors, may only be terminated or modified as provided by the Fund’s governing documents and the investment management agreement between the Adviser and the Fund. The Management Fee will be calculated on an annual basis and is pro-rated for partial periods.

Item 5.E.

Other than as described above, neither the Adviser nor any of its supervised persons receive any compensation from the sale of securities or other investment products.

Important Note: Greater detail regarding fees and expenses, as well as other important information regarding an investment in any of the Funds is more fully set forth in the Fund Offering Documents. The Adviser may from time to time enter into letter agreements or other similar arrangements (collectively, “**Side Letters**”) with one or more investors that have the effect of establishing rights under, or altering or supplementing the terms of, the Fund’s partnership agreement or any subscription agreement, including with respect to distribution of carried interest and payment of Management Fees. As a result of a Side Letter, certain investors may receive additional benefits that other investors will not receive. The other investors will have no recourse against the Fund, the Fund’s general partner or any of their affiliates in the event that certain investors receive additional or different rights or terms as a result of such Side Letters.

6. Performance-Based Fees and Side-by-Side Management

As stated in Item 5 above, FVLCRUM is entitled to receive the Carried Interest, which will be paid directly to the General Partner. Because the Carried Interest is based on performance rather than on the amount of capital under management, it could incentivize FVLCRUM to make decisions that are riskier or more speculative than would be the case in the absence of the Carried Interest. To minimize the potential for conflict of interest, FVLCRUM will ensure that payment of the carried interest at all times satisfies the provisions of applicable law, including the requirements of Section 205(a) of the Advisers Act and Rule 205-3 thereunder. As such, each investor in the Fund that is assessed Carried Interest will be required to be a “qualified client,” as defined in Rule 205-3.

Fund investors are provided with disclosure in the respective governing documents of each Fund as to how investment opportunities are allocated and how performance-based compensation is charged, and the risks associated with such performance-based compensation, prior to making capital commitments to a Fund.

In addition, the Adviser employs policies and procedures governing the identification, assessment and monitoring of conflicts of interest.

7. Types of Clients

Currently, FVLCRUM only provides investment advisory services to the Fund.

Investors in the Fund are required to complete and submit a subscription agreement binding them to the terms of the Fund's governing documents. The Adviser only admits "accredited investors", as defined in Rule 501(a) of Regulation D under the Securities Act of 1933 and "qualified clients" as defined in Rule 205-3 of the Advisers Act, except that the Adviser in its discretion may admit investors who are not "qualified clients" as long as it complies with applicable investment company exemptions set forth in the Investment Company Act of 1940, as amended.

Generally, each purchaser of Class A Fund interests will be required to purchase at least \$3,000,000 of Class A interests and each purchaser of Class B Fund interests will be required to purchase at least \$1,000,000 of Class B Interests, unless such requirement is waived by the General Partner in its discretion.

8. Methods of Analysis, Investment Strategies and Risk of Loss

Item 8.A.

Investments will be primarily in the form of equity and selectively as debt investments, in companies with meaningful minority ownership and demonstrate significant potential for growth and sustainable competitive advantages. FVLCRUM is targeting industry sectors that are underserved and have increasing customer demand. The primary target sectors are government contracting, healthcare, and business services, which are all well-established markets with demonstrated exit paths. These target sectors are also some of the larger segments for minority businesses and have a significant number of proven minority leaders.

Investing in securities involves risk of loss that investors should be prepared to bear. An investment in the Fund involves various risks, including the risk that an investor can lose all or substantially all of its invested capital. While FVLCRUM will strive to attain the investment objective of the Fund, there is no guarantee of successful performance, that the objective can be reached or that a positive return can be achieved. As a general rule, investors can expect that investments with higher return potential will also have higher potential risk of loss to capital and/or income. Investment in the Fund is not a balanced investment program for purposes of an investor's portfolio diversification needs and, therefore, investors should consult with their financial advisor for the appropriateness of an investment in the Fund for their overall investment program.

This offering involves other risk factors which should be carefully considered by prospective investors before making any investment in the Fund.

Item 8.B. and Item 8.C.

An investment in the Fund is speculative and involves a high degree of risk. An investment involves the following further risks and other significant factors which, in addition to the other information set forth herein, FVLCRUM believes that prospective investors should consider carefully before deciding to invest:

Risks Related to Portfolio Companies

Investments in Varying Stages of Growth and Maturity for the Companies. The Fund may make investments in companies that are still only moderate sized in scale and revenue diversification. These companies may have more limited operating histories and may have some reliance on certain technologies or products, may be in quickly evolving markets and may have management teams that have limited experience working together, all of which enhance the difficulty of evaluating these investment opportunities. The management of these companies will need to implement and maintain successful marketing, finance personnel and other operational strategies in order to become and remain successful. Other substantial operational risks to which these companies are subject may include regulatory or reimbursement risk, high levels of competition among similarly situated companies, lower capitalizations and fewer financial resources and the potential for rapid organizational or strategic change.

The Fund's portfolio companies may also include later stage mature companies involving different types of risks. These companies typically have obtained capital in the form of debt and/or equity to expand rapidly, reorganize operations, acquire a business or develop new products and markets; these activities by definition involve a significant amount of change and could give rise to significant problems in sales, manufacturing and general management of these activities.

Public Health Emergencies. Pandemics and other widespread public health emergencies, including outbreaks of infectious diseases can result in market volatility and disruption. Future emergencies have the potential to materially and adversely impact economic production and activity in ways that are impossible to predict, all of which may result in significant losses to the Fund.

The General Partner and the Fund Will Rely on Information Provided by Portfolio Companies and Their Management. In the Fund's review and consideration of investment in portfolio companies, the General Partner and the Fund will rely on documents, materials and information provided by the portfolio companies (collectively, the "**Portfolio Company Materials**"). Neither the General Partner nor the Fund, however, will in all cases independently verify, or undertake to independently verify, the truthfulness, completeness, or accuracy of all Portfolio Company Materials. There can be no assurance that a portfolio company will not engage in misrepresentation or fraud, or that a portfolio company will not provide inaccurate, incomplete, or untruthful Portfolio Company Materials.

Portfolio Companies May Have Limited Operating History. Some of the portfolio companies may have a limited operating history upon which an evaluation of its current business and prospects can be based, each of which must be considered in light of the risks, expenses and problems frequently encountered by all companies in the early stages of development. Such risks include, without limitation, the possible failure of the portfolio company's product or services to achieve broader acceptance and the possibility that competitors will develop superior products. There can be no assurance that a portfolio company will be successful in addressing such risks, and any failure to do so could have a material adverse effect on the portfolio company's business, results of operations and financial condition.

Portfolio Companies May Have a History of Losses. The Fund may invest in portfolio companies that have operated at a loss. There can be no assurance that a portfolio company that has operated at a loss will ever achieve or sustain profitability. Failure to become and remain profitable may adversely affect the portfolio company's ability to raise capital and to expand its business. If a portfolio company does not become and remain profitable, its investors may lose all or part of their investment in the portfolio company.

Portfolio Companies May Need Substantial Additional Financing. Some of the portfolio companies may be undercapitalized and require significant financing to conduct their planned business activities. If a portfolio company does not raise sufficient capital, the portfolio company will not be able to execute its planned business strategy or conduct its planned business activities. Even if a portfolio company meets its current capital raising efforts, such portfolio company may need to raise additional capital in the future to be able to have sufficient capital to execute its future business strategy or conduct its business activities. There can be no assurance, however, that a portfolio company can raise such additional capital or that it can raise any additional capital at all.

Success of Portfolio Companies is Dependent on Market Acceptance. The businesses of some portfolio companies are speculative and there can be no assurance that there will be acceptance and use of the products or services of any or all of the portfolio companies. The extent that, and the rate at which, a portfolio company's products or services achieve market acceptance and market penetration will depend on many variables including, but not limited to, the portfolio company's ability to establish and demonstrate to the market the efficacy, cost-effectiveness, quality, and other benefits of the portfolio company's products or services; the advantages of the portfolio company's products or services over existing solutions; the portfolio company's development, quality control, marketing and sales efforts; the portfolio company's timing of new product introductions and product enhancements; the effectiveness of direct sales force and indirect distribution channels; and activities of and acquisitions by competitors. Failure of a portfolio company to accurately predict the growth and demands of its market may have a material adverse effect on its business and financial condition. Similar risks will confront other products and service developed by portfolio companies in the future. Failure of a portfolio company's products or service to gain market acceptance would have a material adverse effect on the portfolio company's business, operations, financial condition, and prospects.

Portfolio Companies May be Subject to Competition. Many of the portfolio companies' current and potential competitors have more cash flow and assets at their disposal to operate their businesses. Additionally, some of the portfolio companies' current and potential competitors provide products and services to a broader range of markets. If a portfolio company is unable to compete successfully against any of these competitors, then revenues could be reduced, which could adversely affect the portfolio company's business, results of operations and financial condition.

Litigation Risks. From time to time, portfolio companies may face allegations that may result in litigation including without limitation, allegations that a portfolio company has infringed the intellectual property rights of third parties, the use of a portfolio company's products or services have caused personal injury to a customer or third party. Litigation may be protracted and expensive, and the results are difficult to predict and may require the portfolio company to stop offering certain products or services, purchase licenses or modify its products and services while the portfolio company develops non-infringing substitutes or may result in significant settlement costs. Also, it might have to deal with these issues in each country or jurisdiction that it conducts or desires to conduct business. Even if these matters do not result in litigation or are resolved in a portfolio company's favor or without significant cash settlements, these matters, and the time and resources necessary to litigate or resolve them, could harm a portfolio company's business, operating results or reputation.

Leverage. The Fund's investments may include companies whose capital structures have significant leverage. Such investments are inherently more sensitive to declines in revenues and to increases in expenses and interest rates. Although the General Partner will seek to use leverage in a prudent manner, the leveraged capital structure of portfolio companies will increase their exposure to adverse economic factors such as rising interest rates, downturns in the economy and deterioration in the conditions of the portfolio companies or their industries.

Highly Competitive Market for Investments. The business of identifying, negotiating, acquiring, monitoring, managing, and selling investments within the scope of the Fund's investment program is highly competitive, and involves a high degree of uncertainty. The Fund will encounter competition from other persons or entities with similar investment objectives. Although FVLCRUM believes that significant opportunities currently exist and that the Fund will have sufficient deal flow to access such opportunities, there can be no assurance that these opportunities will continue to exist or that FVLCRUM will be able to identify, select, access, develop and consummate a sufficient number of opportunities to permit the Fund to invest all of its committed capital. To the extent that any portion of the Fund's committed capital is not invested, the Fund's potential returns may be diminished.

Follow On Investments. The Fund may be presented with the opportunity to make additional, "follow-on" investments in its existing portfolio companies, either because such portfolio company's performance and/or liquidity has been below expectations or because additional capital is required to fund growth. There can be no assurance that the Fund will desire to make follow-on investments or that it will have sufficient funds to do so. Any decision by the Fund not to make follow-on investments or its inability to make them may have a substantial negative impact on a portfolio company in need of such an investment and may dilute the Fund's existing portfolio company and/or may diminish the Fund's ability to influence future developments relating to such portfolio company.

Extensive Government Regulation. The extensive government regulation of certain industries in which the Fund may invest creates additional uncertainty and risks for the Fund. Obtaining regulatory approval may be a lengthy and expensive process with an uncertain outcome. Portfolio companies may be unable to obtain necessary regulatory approvals on a timely basis, if at all, and the failure to obtain approval could have a material, adverse effect on the success of the portfolio companies.

Illiquidity; Market for Portfolio Companies. There will be no public market for certain of the Fund's investments in privately held entities, and the Fund's ability to dispose of any investment will in many cases be further limited by the agreements the Fund enters into in connection with its investments. The Fund's ability to sell or distribute securities and to realize investment gains will depend, in large part, upon favorable market conditions, including receptiveness to initial public offerings for the Fund's portfolio companies and an active mergers and acquisitions market. Initial public offering and merger and acquisition opportunities may be limited or non-existent for extended periods of time, whether due to economic, regulatory, or other factors. In addition, equity opportunities frequently involve larger sized investments, which involve additional risks and are typically more difficult to finance and exit. In view of these limitations on liquidity, which are illustrative and not exhaustive, the Fund will generally be unable to realize on an investment in a privately held entity until the sale of such entity. There can be no assurance that the Fund will be able to dispose of its investments at the price and at the time it wishes to do so. Furthermore, this illiquidity may continue even if the underlying entities obtain listings on securities exchanges.

Bridge Financings. From time to time, the Fund may lend to portfolio companies on a short-term, unsecured basis in anticipation of a future issuance of equity or long-term debt securities. These

types of bridge loans would typically be convertible into a more permanent, long-term security. However, for reasons not always in the Fund's control, long-term securities may not be issued, and a bridge loan may remain outstanding. If that happens, the interest rate on such loans may not adequately reflect the risk associated with the unsecured position taken by the Fund.

General Cash Flow Risks. A principal objective of the Fund will be to make investments in entities with prospects for capital appreciation. FVLCRUM anticipates that certain portfolio companies will be leveraged and will likely not provide the Fund with any significant cash distributions until the underlying property is sold or refinanced. As a result, the Fund will likely not be able to make any significant cash distributions to the partners from such investments other than in connection with the liquidation of such investments.

Dependence on Intellectual Property. Certain of the Fund's investments will depend heavily on intellectual property rights, including patents, trademarks and service marks. The ability to effectively enforce patent, trademark and other intellectual property laws will affect the value of many of these companies. Patent disputes are frequent and can preclude commercialization of products, and patent litigation is costly and could subject a portfolio company to significant liabilities to third parties. The presence of patents or other proprietary rights belonging to other parties may lead to the termination of the research and development of a portfolio company's particular product.

Uncertainty Regarding Investments. Although the Fund will make every effort to conduct appropriate due diligence prior to making an investment, the due diligence process may be subjective at times and may need to be undertaken on an expedited basis and/or on the basis of imperfect information in order to take advantage of available investment opportunities. The due diligence process also may require the Fund to rely on limited resources available to it, including information provided by the target of the investment and third-party consultants, legal advisors, accountants, and investment banks. As a result, the due diligence investigation may not reveal or highlight all relevant facts that may be necessary or helpful in evaluating an investment opportunity. The Fund's due diligence investigations cannot ensure the success of its investments.

Non-Controlling Investments. The Fund may hold less than 50% of the outstanding voting interests of many of its portfolio companies, or may hold investments in debt instruments or other securities that do not entitle the Fund to voting rights, and, therefore, may have a limited ability to protect its investment in any such portfolio company. If appropriate given FVLCRUM's ownership stake, FVLCRUM may negotiate representation on the board of directors of a portfolio company or appropriate minority shareholder and supervisory rights to protect the Fund's investment. However, there can be no assurance that these measures will give the Fund the influence it would need to protect its investment.

Availability of Additional Capital to MBE and Minority Communities. The Fund's investments will be concentrated in MBE portfolio companies or other investments in minority or low-income communities. Historically, these enterprises and communities have had difficulty in attracting investment capital at other than unreasonable terms, if at all. To the extent a Fund investment required material follow-on or additional funds and the Fund is not in a position to provide those funds, the potential inability of portfolio companies to obtain additional capital if necessary for

continued growth and operations could materially and adversely affect the viability of the Fund's investment in an affected portfolio company or result in a complete loss of such investment.

Risks Related to the Fund

Inherent Risks Associated with Equity Funds, Generally. The success of the Fund's investments in general will be subject to a variety of risks, including, without limitation, those related to the portfolio companies, the quality of the management of the companies and the ability of such management to successfully operate their companies. As a result, the Fund may be subject to greater investment risks than those assumed by other pooled investment vehicles or other investments generally. The success of the Fund depends upon the ability of FVLCRUM to identify, select, and consummate investments that will offer superior returns. The availability of such opportunities will depend, in part, upon general market conditions. The business of identifying and structuring equity transactions is highly competitive and involves a high degree of uncertainty. Even if FVLCRUM identifies attractive investment opportunities, there can be no assurance that the Fund will be permitted to invest in such opportunities. As a result, it is possible that the Fund might never be fully invested. However, investors will be required to pay management fees based on the entire amount of their invested capital. No assurance can be given that the Fund's investment portfolio will generate any income or will appreciate in value. Furthermore, underperformance of a portfolio company may result in substantial losses to the Fund.

Lead Anchor Investor. The Fund has entered into an arrangement with the lead anchor investor pursuant to its investment in the Fund (directly or indirectly). In connection with such investment, the lead anchor investor (i) will hold certain economic rights in the payments that FVLCRUM is and may in the future be, entitled to from the Fund and from successor funds, (ii) will be entitled to appoint a non-voting observer to the General Partner's investment committee, (iii) will hold a minority equity interest in the General Partner, (iv) will have a right to appoint a member and an observer to the Advisory Committee, and (v) will have certain rights, including the requirement that the General Partner and FVLCRUM, and their affiliates obtain the consent of the lead anchor investor prior to taking certain actions or engaging in certain transactions outside the ordinary course of business. The lead anchor investor will have the same voting rights as other investors, and conflicts of interest may arise as a result of the lead anchor investor's concurrent interests in FVLCRUM, the General Partner, and the Fund, on any issue relating to the Fund requiring a vote. The lead anchor investor's interests may conflict with the interests of the other investors because the lead anchor investor may consider both its interest as a investor and its economic interest in FVLCRUM when considering any such vote, rather than the interests of investors alone. By becoming a investor in the Fund, each investor acknowledges that in exercising voting rights, the lead anchor investor may be motivated by interests that are different from other investors and Advisory Committee representatives, and that the lead anchor investor and its Advisory Committee representative may influence or determine the outcome of investor and Advisory Committee votes and discussions. There is no guarantee that any potential conflicts of interest created by the lead anchor investor's interest in FVLCRUM and the General Partner will not have a material adverse effect on the Fund.

Economic Conditions. Changes in market, business and economic conditions, including, for example, interest rates, inflation rates, industry conditions, competition, technological developments, political and diplomatic events and trends, tax laws and innumerable other factors, can affect substantially and adversely the business and prospects of the Fund. None of these conditions will be within the control of FVLCRUM.

Total Reliance on the General Partner. Investors will be completely reliant on the General Partner for management of the Fund and its investments. In turn, the General Partner will be looking to FVLCRUM and its affiliates, personnel, and infrastructure to provide it with the resources necessary for the General Partner to fulfill its obligations to the Fund. FVLCRUM has complete discretion in investing the Fund's assets and the General Partner has exclusive control over its business and affairs.

Past Performance Not a Predictor of Future Results. The track record of FVLCRUM, its affiliates and any funds they have managed should not be assumed to imply or predict, directly or indirectly, any level of future performance of the Fund. The performance of the Fund is dependent on future events and is, therefore, inherently uncertain. Past performance cannot be relied upon to predict future events for a variety of reasons, including, without limitation, local and national economic circumstances, supply and demand characteristics, degrees of competition and other circumstances pertaining to capital markets.

Long Term Investment. Absent the consent of the General Partner, investors are not permitted to withdraw capital from or have their interest redeemed by the Fund prior to its termination. No termination date has been selected in advance and no target date or mechanism for exit from any investment has been set. It is anticipated that the Fund will continue to carry and operate their investments for a considerable period of time. Moreover, no assurance can be given that exit from an investment in attractive terms even when the Fund wishes to exit.

Lack of Liquidity of Interests. The purchase of Fund interests is not suitable for investors desiring or requiring immediate investment liquidity because Fund interests are not generally redeemable and subject to certain limitations on transfer. Fund interests may not generally be transferred without the consent of the General Partner and no public trading market in the Fund interests will develop. Transfer of the Fund interests is subject to the substantial restrictions on transfer imposed by (i) the federal securities laws; (ii) the applicable laws of other jurisdictions; and (iii) the Fund's partnership agreement, which includes transfer restrictions to avoid, among other things, adverse tax consequences to the Fund.

Lack of Diversification. The Fund will participate in only a limited number of investments and intends to make more than one investment in a single industry or industry segment. As a result, the Fund's investment portfolio is expected to be highly concentrated, and the performance of just one holding could substantially affect its aggregate return. Furthermore, to the extent that the capital raised by the Fund is actually less than the full \$250 million aggregate targeted amount, the Fund would have to invest in even fewer companies and thus be even less diversified. Closing of the offering will not occur unless at least \$70 million in the aggregate has been raised by the Fund (including the subscriptions and commitments of the General Partner and its affiliates).

Competition for Investments. There can be no assurance that the Fund will be able to fully invest its capital on attractive terms. This could result from several factors, including, without limitation, competition from other investors, demands from potential portfolio companies not acceptable to FVLCRUM or other business, technical and economic factors.

Operating Deficits. The expenses of operating the Fund may exceed its income; thereby requiring that the difference be paid from the Fund's capital and thereby reducing the funds which would otherwise be available for distribution.

Compensation to the General Partner, Generally; Conflicts of Interest. This offering contemplates the payment of compensation and reimbursement to both the General Partner and FVLCRUM and the possibility of conflicts of interest in certain circumstances. None of the General Partner, FVLCRUM, or any of their respective affiliates or associated persons will be required to devote all of their time to the affairs of the Fund. The Partners maintain economic interest and management in prior investments and current business ventures.

The General Partner's Right to Cause Dissolution. The Fund's partnership agreement provides that the General Partner may at any time dissolve the Fund upon notice to the investors.

Consequences to Defaulting Investors of Failure to Make Required Capital Contributions. Under the Fund's partnership agreement, investors are obligated to make their Capital Contribution to the Fund when requested by the General Partner. An investor who fails to make a timely Capital Contribution when required will be subject to the penalties set forth in the Fund's partnership agreement, including the sale of such investor's Fund interests at a substantial discount, the forfeiture of all or a portion of investor's Interest, and/or the loss of voting and approval rights under the Fund's partnership agreement. The Fund may also make claims against a defaulting investor under common law.

Dilution from Additional Closings. Investors that are admitted or increase their Capital Commitment prior to the Final Closing will generally participate in existing investments of the Fund, diluting the interest of existing investors therein. Although such investors will contribute their pro rata share of the aggregate Capital Contributions for any investments made prior to such Closing together with interest thereon, there can be no assurance that this payment will reflect the fair value of the Fund's existing investments at the time such additional investors subscribe for Fund interests.

Recycling; Reinvestment. The General Partner has the right to retain or recall the invested capital portion of distributions of proceeds from an investment received during the commitment period. Accordingly, during the Fund's term, an investor may be required to make capital contributions in excess of its commitment. To the extent these recalled amounts are reinvested in investments, an investor will remain subject to investment and other risks associated with such investments.

Repayment of Certain Distributions. In the event the Fund is otherwise unable to meet its obligations, the investors may be required to repay to the Fund or to pay to creditors of the Fund distributions previously received. In addition, investors may be required to pay to the Fund amounts that are required to be withheld by the Fund for tax purposes.

Contingent Liabilities on Disposition of the Investments. In connection with the disposition of an investment, the Fund may be required to make representations about the business, financial affairs and other aspects (such as environmental, property, tax, insurance, and litigation) of such investment typical of those made in connection with the sale of a business. The Fund also may be required to indemnify the purchasers of such investment to the extent that any such representations are inaccurate or with respect to certain potential liabilities. This arrangement may result in the incurrence of contingent liabilities for which the General Partner may establish reserves or escrow accounts. In that regard, investors may be required to return amounts distributed to them to fund the Fund's obligations, including indemnity obligations, subject to certain limitations set forth in the Fund's partnership agreement. Furthermore, under the Delaware Revised Uniform Limited Partnership Act, each investor that receives a distribution in violation of such Act will, under certain circumstances, be obligated to recontribute such distribution to the Funds.

Macro-Economic Risks. Financial market and economic conditions throughout the world may materially affect the Fund's investments. FVLCRUM will make investment decisions in part on review of these conditions and related factors, which include: regulatory interventions, interest rates, availability of terms of credit, inflation rates, economic uncertainty, changes in laws, changes in regulations, changes in fiscal policies, changes in trade barriers, changes in commodity prices, changes in currency exchange rates and controls, and changes in national and international political circumstances, including risks of war and the effects of terrorist attacks, the spread of infectious illness or other public health issues, or other events could have significant impact on a security or instrument. FVLCRUM's view on these matters may prove to be incorrect, in which case the Fund's investments may perform worse than anticipated. Difficult market conditions more generally may adversely affect the Fund and its returns by reducing the value or performance of its investments or by reducing its ability to raise or deploy capital.

Indemnification of the General Partner; Limitations on Liability. The Fund's partnership agreement sets forth the circumstances under which the General Partner and certain of its affiliates and related parties (as described in the Fund's partnership agreement) are to be excused from liability to the Fund and the investors for damages or losses that the Fund or the investors may incur by virtue of any such person's performance of services for the Fund. As a result, the Fund and the investors may have a more limited right of action in certain cases against these persons than they might otherwise have. Additionally, in the event that a claim is made against any of the indemnified parties, such persons may be entitled to be indemnified by the Fund, in which case the assets of the Fund would have to be used to indemnify such persons for amounts incurred in connection with such claim. The General Partner may cause the Fund to purchase insurance or participate in insurance pertaining to themselves and other affiliated collective investment vehicles to defray these costs. Such insurance policies will be subject to certain limitations and restrictions on payment. The General Partner cannot guarantee that it will be able to collect on any claims against such policies. In addition, insurance policies (which are obtained at the expense of the Fund) may provide coverage for actions for which the indemnified persons would not be entitled to indemnification under the Fund's partnership agreement.

Diversity of Investors. The investors are expected to include taxable and tax-exempt entities and may include persons or entities organized in various jurisdictions. As a result, conflicts of interest

may arise in connection with decisions made by the General Partner and FVLCRUM that may be more beneficial for one type of investor than for another type of investor. In making decisions appropriate for the Fund, the General Partner and FVLCRUM will consider the investment objectives of the Fund as a whole, not the investment objectives of any investor individually.

Controlling Interests and Provision of Managerial Assistance. Because of its equity ownership, representation on the board of directors and/or contractual rights (if applicable), the Fund could be considered to control, participate in the management of or influence substantially the conduct of portfolio companies. The designation of our managing partners as directors and the exercise of control over a company may impose additional risks of liability for environmental damage, product defects, pension and other fringe benefits, failure to supervise management, violation of laws and governmental regulations (including securities laws) and other types of liability, for which the limited liability generally afforded to investors may be ignored. If these liabilities were to arise, the Fund may suffer a significant loss, exposing the assets of the Fund to claims by a portfolio company, its other security holders, its creditors or governmental agencies, which may exceed the value of the Fund's initial investment in that portfolio company. While FVLCRUM intends to reduce exposure to these risks to the extent practicable, the possibility of successful claims cannot be precluded.

Co-Investment. Where possible and appropriate, the General Partner may, but will be under no obligation, to provide co-investment opportunities to investors. Investors will have no obligation to make any co-investments. Unsubscribed co-investment amounts may be allocated to the Fund or may also be offered to investors who have elected to co-invest, subject to the discretion of the General Partner. The Fund may invest side-by-side with a co-investment fund or an investor without providing co-investment opportunities to other investors.

9. Disciplinary Information

There are no legal or disciplinary events that are material to a Client's or prospective client's evaluation of FVLCRUM's advisory business or the integrity of its management.

10. Other Financial Industry Activities and Affiliations

Item 10.A.

Neither FVLCRUM nor any of its management persons are registered, or have an application pending to register, as a broker-dealer or registered representative of a broker-dealer.

Item 10.B.

Neither FVLCRUM nor any of its management persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, commodity trading advisor, or an associated person of the foregoing entities.

Item 10.C.

The Funds' general partner, FVLCRUM Holdings LLC, is an affiliate of the Adviser. As the Fund's general partner is entitled to receive a share of the performance allocation from its Fund, this may create an incentive for the Adviser to make investments that are riskier or more speculative than would be the case if such arrangement was not in effect. However, as noted in *Item 11*, the Adviser has a written Code of Ethics that contains policies and procedures to address conflicts of interest. Under such policies and procedures, the Adviser is required to make investment decisions for its Clients in a manner that is consistent with its fiduciary duties to its Clients.

An affiliate of Clearinghouse CDFI is a member of the Fund's general partner, FVLCRUM Holdings LLC. Clearinghouse CDFI will provide marketing, finance and administrative support to the Fund and, pursuant to the terms of a services agreement, will also provide community development reporting functions for the Fund, track impact data, and monitor and advise the Fund on CRA reporting and impact outcome considerations. Clearinghouse CDFI will receive compensation for such services and such fees will be paid by FVLCRUM. In addition, Clearinghouse CDFI will be reimbursed by the Adviser for all pre-approved reasonable out-of-pocket costs, fees and expenses. The Fund may purchase Community Development loans from and originated by Clearinghouse CDFI. Such loans will be on terms that the General Partner believes to be no less favorable to the Fund than generally available from third parties; however, loan terms will be established by the General Partner and not as a result of an arm's-length transaction. FVLCRUM will utilize a five-member investment committee comprised of the four Principals and Douglas J. Bystry, the CEO of Clearinghouse CDFI, or its designee.

Fund investors should refer to the Offering Documents for a complete understanding of FVLCRUM's relationship with, provision of services and compensation received by Clearinghouse CDFI.

Item 10.D.

FVLCRUM does not recommend or select other investment advisers for its Clients nor does it have any business relationship with other advisers that might create a material conflict of interest.

11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Item 11.A.

The Adviser has adopted a written Code of Ethics (the “**Code**”) designed to address and avoid potential conflicts of interest as required under Rule 204A-1 under the Advisers Act. The Code sets forth a standard of business conduct and compliance with federal securities laws by all of the Adviser’s employees. The Code contains policies and procedures that Adviser employees execute personal securities trading in a manner that mitigates actual or potential conflicts of interest or any abuse of an individual’s position of trust and responsibility. The Adviser requires pre-clearance of purchases of an IPO or a new private placement; periodic reporting of employees’ personal securities transactions and holdings; and prompt internal reporting of Code violations.

As part of its Code, the Adviser has established procedures to reduce the abuse of material, non-public information, which includes procedures for, among other things, the use and maintenance of restricted trading lists.

The Adviser will provide a copy of the Code to any investor or prospective investor upon request.

Item 11.B.

Neither the Adviser nor any of its related persons recommend to its Clients securities in which the Adviser or any related persons have a material financial interest.

Item 11.C.

As described above, the Adviser requires employees obtain approval prior to participating in private placements. As the Adviser’s primary investment strategy involves investments in private companies and their securities, this could create a potential conflict of interest. Generally, employees will not invest outside of the Fund directly in any privately negotiated equity investment that is substantially similar to the types of investments to be made by the Fund without having first offered the opportunity to the Fund.

Item 11.D.

As described above, the Adviser’s primary investment strategy involves investments in private companies and their securities. Thus, it is generally difficult for the Adviser or its related persons to buy or sell securities for Client accounts, at or about the same time that the Adviser or its related persons buy or sell the same securities for their own accounts. As described above, employees must obtain pre-approval to participate in private placements, and the Fund will be given priority.

IT IS CRITICAL THAT FUND INVESTORS REVIEW THE FUND’S OFFERING AND GOVERNING DOCUMENTS FOR A COMPLETE AND DETAILED DESCRIPTION OF POTENTIAL CONFLICTS OF INTEREST RELATED TO AN INVESTMENT IN THE FUND.

12. Brokerage Practices

The Adviser's investment strategy involves making private equity investments. As a result, the Adviser does not select or recommend broker-dealers for the purchase and sales of securities. Furthermore, the Adviser does not maintain any trading accounts and does not use "soft dollars" received from broker-dealers from the purchase and sales of securities for its Clients.

13. Review of Accounts

Item 13.A.

The Adviser maintains comprehensive review procedures for the ongoing monitoring of the portfolio companies of the Fund. In connection therewith, the Adviser conducts periodic reviews of all portfolio companies held in the Fund portfolio. All Adviser investment and operational staff participates in the ongoing monitoring of Client portfolios, although responsibilities vary by individual.

Item 13.B.

Client portfolios are reviewed periodically. See Item 13.A. above for further detail.

Item 13.C.

The Adviser will provide Fund investors, if applicable, with written audited annual financial statements, written periodic reports and other written communications.

14. Client Referrals and Other Compensation

Item 14.A.

The Adviser does not receive any economic benefit, including sales awards or prizes, from any third party for providing advisory services to its Clients.

Item 14.B.

The Adviser or an affiliate may enter into an agreement with a third-party placement agent providing for compensation to be paid to the placement agent for referring investors to a Fund. Any such arrangement will be conducted in accordance with the applicable laws and regulations of the Advisers Act.

15. Custody

The Adviser is deemed, under Rule 206(4)-2 of the Advisers Act, to have custody of the assets of the Fund by virtue of the common control of the Adviser and the General Partner. The Fund maintains cash funds with a qualified custodian. As noted in Item 13 above, Fund investors receive annual financial statements audited by an independent public accounting firm. Fund investors are urged to carefully review these statements.

16. Investment Discretion

The Adviser exercises full discretionary authority in managing the investments made by the Funds, based on the Fund's investment objectives, policies and strategies disclosed in its Offering Documents. The Adviser contractually assumes discretionary authority over the assets of the Fund under an investment management agreement entered among the Adviser, the Fund and its General Partner.

17. Voting Client Securities

The Adviser's investment strategy involves private equity investments. As a result, the Adviser does not generally hold Fund investments in public equity securities and therefore does not generally receive proxies on behalf of its Clients.

18. Financial Information

Item 18.A.

FVLCRUM does not require or solicit prepayment of any fees more than six months or more in advance.

Item 18.B.

FVLCRUM does not believe it has any financial condition that is reasonably likely to impair its ability to meet its contractual commitments to its Clients.

Item 18.C.

FVLCRUM has not been the subject of a bankruptcy petition at any time during the past ten years.