

FORM ADV PART 2A: BROCHURE



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This brochure (the “Brochure”) provides information about the qualifications and business practices of Fifth Down Cap LLC. If you have any questions about the contents of this Brochure, please contact us at ir@fifthdown.vc. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority. Registration with the SEC or with any state securities authority does not imply a certain level of skill or training.

Additional information about Fifth Down Cap LLC is also available on the SEC’s website at www.adviserinfo.sec.gov. You may search the SEC’s site using a unique identifying number, known as a CRD number. The CRD number for Fifth Down Cap LLC is #312861 while the CRD number for Fifth Down Capital Partners, LLC is #312975.

ITEM 2: MATERIAL CHANGES

There have been no material changes since our last ADV annual amendment, however, there are other changes to this Brochure. We encourage you to review the Brochure in its entirety.

IMPORTANT NOTE ABOUT THIS BROCHURE

This Brochure is not:

- ◆ ***An offer or agreement to provide advisory services to any person;***
- ◆ ***An offer to sell interests (or a solicitation of an offer to buy interests) in any Fund advised by Fifth Down Cap LLC, Fifth Down Capital Partners, LLC, or their affiliates; or***
- ◆ ***A complete discussion of the features, risks or conflicts associated with any Fund advised by Fifth Down Cap LLC, Fifth Down Capital Partners, LLC, or their affiliates.***

In accordance with the Investment Advisers Act of 1940, as amended (“Advisers Act”), Fifth Down Cap LLC and Fifth Down Capital Partners, LLC provide this Brochure to current and prospective clients. Fifth Down Cap, LLC and Fifth Down Capital Partners, LLC may also, in their discretion, provide this Brochure to current or prospective investors in certain Funds, together with other relevant offering materials, such as a Fund’s private placement memorandum or operating agreement, prior to, or in connection with, such persons’ investment in such Funds.

Although this Brochure describes the investment advisory services of Fifth Down Cap LLC, and Fifth Down Capital Partners, LLC, persons who receive this Brochure (whether from Fifth Down Cap LLC, Fifth Down Capital Partners, LLC, their affiliates, or authorized agents) should be aware that it is designed solely to provide information about Fifth Down Cap LLC and Fifth Down Capital Partners, LLC as necessary to respond to certain disclosure obligations under the Advisers Act. As such, the information in this Brochure may not include all information provided in relevant offering materials.

More complete information about each Fund advised by Fifth Down Cap LLC, Fifth Down Capital Partners, LLC, and their affiliates, is included in relevant offering materials which may be provided to current and eligible prospective investors only by Fifth Down Cap LLC, Fifth Down Capital Partners, LLC, their affiliates, or their authorized agents. If there is any conflict between information conveyed in this disclosure document and that conveyed in any offering materials, the information contained in the relevant offering materials will govern and control.

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ITEM 4: ADVISORY BUSINESS

A. Describe your advisory firm, including how long you have been in business. Identify your principal owner(s).

Fifth Down Cap LLC is a private investment management company headquartered in Dover, Massachusetts. The entity was formed in January 2014 and provides investment, administrative, financial, and advisory services to private investment funds and their underlying portfolio investments. Andrew Michael Spellman and Matthew Q. Christensen are the principal owners of Fifth Down Cap LLC.

Fifth Down Cap LLC is affiliated through common ownership with Fifth Down Capital Partners, LLC, formed in July 2020, which acts as a relying adviser with respect to certain investments managed by Fifth Down Cap LLC. Fifth Down Capital Partners, LLC is owned equally by Andrew Michael Spellman and Stephen Liam Patrick.

This Brochure describes the aggregate business practices of both entities and their general partners and managers, which operate a single advisory business filing a single Form ADV in reliance on SEC guidance and are referred to throughout this Brochure as “**Fifth Down**” or “**Manager**”. The business of Fifth Down is managed on a day-to-day basis by Andrew Michael Spellman, Stephen Liam Patrick and Brian Rowen (the “**Principals**”).

B. Describe the types of advisory services you offer. If you hold yourself out as specializing in a particular type of advisory service, such as financial planning, quantitative analysis, or market timing, explain the nature of that service in greater detail. If you provide investment advice only with respect to limited types of investments, explain the type of investment advice you offer, and disclose that your advice is limited to those types of investments.

Advisory Services

Fifth Down provides discretionary investment management services to certain private funds that are pooled investment vehicles exempt from registration under the Investment Company Act of 1940, as amended (“**Investment Company Act**”). Throughout this Brochure, the pooled investment vehicles sponsored by Fifth Down, together with any parallel funds, special purpose vehicles (“**SPVs**”), feeder funds, and other investment vehicles, are referred to as the “**Funds**”. While this Brochure may be provided to limited partner investors in a Fund, Fifth Down does not provide investment advice directly to limited partners and therefore, limited partners are not themselves considered clients of Fifth Down.

Fund Structure

The specific investment strategy, structure, diversification guidelines, terms of investment, and other terms and conditions associated with each Fund are described in that Fund’s subscription agreement, operating or limited partnership agreement, and/or similar disclosure and governing documents (collectively, the “**Offering Documents**”) prepared specifically for the offering of

interests in such Fund. With respect to any Fund, this Brochure is qualified in its entirety by the Offering Documents.

Investment Strategy

Fifth Down recommends or invests in private investment opportunities primarily in the technology and consumer sectors of the market. Investments may be: (a) directed to independent private equity or venture capital funds sponsored by established managers (“**portfolio funds**”), (b) structured as an SPV to co-invest alongside a portfolio fund or other investors, (c) structured as a purchase of limited partner interests in independent private equity or venture capital funds sponsored by established managers (“secondary **LP interests**”) from existing limited partners in such funds, or (d) effected as a direct investment in a private company. Through direct or indirect investments, Fifth Down also acquires, holds, trades, sells or otherwise disposes of collectible sports cards. Throughout this Brochure, the Fund’s investments in the securities of portfolio companies, private funds, secondary LP interests, and collectible sports cards are referred to individually as an “**investment**” and collectively as “**investments**.”

Fifth Down primarily makes non-controlling investments in portfolio companies on behalf of the Funds it manages. For certain investments, a Principal (or their appointee) may serve on a portfolio company’s board of directors (or participate as a non-voting observer).

- C. Explain whether (and, if so, how) you tailor your advisory services to the individual needs of clients. Explain whether clients may impose restrictions on investing in certain securities or types of securities.**

The Funds

Fifth Down tailors its advisory services to the particular investment strategy, criteria and guidelines set forth in the Offering Documents for each Fund. Once invested in a Fund, an investor cannot impose restrictions on the types of securities in which such Fund may invest. Investment strategies and guidelines are not tailored to the individualized needs of any particular investor in a Fund. On behalf of a Fund, Fifth Down may, in its sole discretion, enter into one or more side letters or other agreements with certain limited partner investors, that may provide such investors with more favorable economic and non-economic terms than those that may apply to other investors in the Fund. Investments in a Fund involve significant risks and should be regarded as long-term in nature, forming only one portion of an investor’s diversified investment portfolio.

- D. If you participate in wrap fee programs by providing portfolio management services, (1) describe the differences, if any, between how you manage wrap fee accounts and how you manage other accounts, and (2) explain that you receive a portion of the wrap fee for your services.**

Fifth Down does not participate in wrap fee programs.

- E. If you manage client assets, disclose the amount of client assets you manage on a discretionary basis and the amount of client assets you manage on a non-discretionary basis. Disclose the date “as of” which you calculated the amounts.**

As of February 29, 2024, Fifth Down had approximately \$401,909,992 in discretionary Regulatory Assets under Management.

ITEM 5: FEES AND COMPENSATION

- A. Describe how you are compensated for your advisory services. Provide your fee schedule. Disclose whether the fees are negotiable.**

The Funds: Fees, Compensation and Expenses

Investors should carefully review the Offering Documents of the relevant Fund in conjunction with this Brochure for complete information about fees, compensation, and expenses.

Management Fees

The Manager typically charges a quarterly advisory fee (“**Management Fee**”) to Fund investors as described in relevant Offering Documents. Fees and other compensation paid by a Fund to the Manager may vary from Fund to Fund and may be different from the fees and compensation payable in respect of any successor fund, parallel fund, SPV or co-investment vehicle formed to facilitate a Fund investment.

Management Fees are initially derived from capital commitments made by the limited partner investors in a Fund. After the investment period, the Management Fee will subsequently “step down” to be calculated in line with the fee provisions attendant to applicable Offering Documents. A Fund’s investment period, specified within the Offering Documents, is the limited period in which a Fund is permitted to enter into new investments.

Management Fees and late admission charges applicable to investors entering a Fund after the initial closing are set forth in such Fund’s Offering Documents. The Management Fee is subject to certain reductions and offsets as further described below.

Carried Interest

In addition to the payment of ongoing Management Fees (where applicable), a Fund, and indirectly the limited partner investors, are also typically required to allocate to a Fund’s general partner or Manager a carried interest based upon a percentage of the Fund’s return on invested capital. Co-investment vehicles formed to facilitate a Fund’s investment are generally not subject to any carried interest to the Fund, though they may charge carried interest to other investors. For additional details about such performance-based compensation, please refer to *Item 6 – Performance-Based Fees and Side-by-Side Management*.

Management Fees, carried interest, and/or any other compensation payable to the Manager or its affiliates are generally negotiated with a Fund and/or its underlying investors.

Waiver of Management Fees, Carried Interest, or Other Charges

Fifth Down may, in its sole discretion, waive or reduce the Management Fee, carried interest, or other charges that would otherwise be borne by, and payable or distributable in respect of, any Fund investor that is a partner, member, stockholder, officer, director, manager, trustee, employee, or agent of Fifth Down or its affiliates (including their family members and any entity controlled by them), without granting corresponding benefits to the other Fund limited partners.

Organizational Expenses

As specified in the Offering Documents, a Fund will generally pay or reimburse Fifth Down for all costs and expenses incurred in connection with the organization of the Fund, and the offering of interests therein, including, without limitation, any related legal and accounting fees and expenses, any fees and expenses relating to regulatory compliance (subject to certain exclusions), travel expenses and filing fees, capital raising (including placement agent) fees and expenses and other organizational expenses (collectively, “**Organizational Expenses**”). Such expenses are in certain cases subject to a cap as detailed in the Offering Documents.

Operating Expenses

As specified in the Offering Documents, a Fund shall bear all fees, costs, expenses, liabilities, and obligations relating to the Fund’s and/or its subsidiaries’ activities, investments, and business (to the extent not borne or reimbursed by a portfolio company), including:

- ◆ all fees, costs, expenses, liabilities and obligations attributable to sourcing and investigating, structuring, organizing, acquiring, managing, operating, holding, valuing, winding up, liquidating, dissolving and disposing of portfolio investments (including travel expenses, interest and fees on money borrowed by the Fund, registration expenses and brokerage, finders’, custodial and other fees, including fees, costs and expenses related to procuring, developing, implementing or maintaining information technology, data subscription and license-based services, research publications, materials or computer software in connection with providing services to the Fund (including reporting as described herein), in connection with identifying, investigating (and conducting diligence with respect to) or evaluating, structuring, consummating, holding, monitoring, or disposing of potential and actual portfolio investments, or in connection with obtaining or performing research related to potential or actual portfolio investments, industries, sectors, geographies or other relevant market, economic, geopolitical or similar data or trends, including risk analysis software);
- ◆ all fees, costs, expenses, liabilities and obligations of the Fund attributable to legal, accounting, administration, custodian, depository, auditing, travel, investigation, litigation and indemnification costs and expenses, judgments and settlements, consulting, finders’, financing, appraisal, filing and other fees and expenses (including fees, costs and expenses associated with the preparation and distribution of the Fund’s financial statements, tax returns and Schedule K-1s (including expenses incurred in connection with purchasing, licensing or leasing computer software for such uses and expenses incurred in connection

with providing partners on-line or electronic access to information and reporting relating to the Fund) or any other administrative, government, regulatory or other regular or periodic Fund-related reporting or filing, other than any excluded regulatory expenses);

- ◆ insurance to protect Fifth Down and its related persons in connection with the activities of the Fund (including directors and officers and errors and omissions liability insurance);
- ◆ costs and expenses of the Advisory Committee and the Investment Committee, including indemnification obligations with respect to the Advisory Committee and the Investment Committee and out-of-pocket expenses in attending meetings;
- ◆ all out-of-pocket fees (including, without limitation, any value-added, sales or similar taxes and amounts withheld for tax purposes), costs, expenses, liabilities, and obligations incurred by the Fund or Fifth Down relating to investment and disposition opportunities for the Fund not consummated, including legal, accounting, auditing, research, due diligence, insurance, travel, consulting, finders', financing, appraisal, filing and printing fees and expenses);
- ◆ all out-of-pocket fees, costs and expenses incurred by the Fund or Fifth Down in connection with the annual and other periodic (if any) meetings of Fund investors and any conference or meeting with any Fund investor;
- ◆ any taxes, fees and other governmental charges levied against the Fund;
- ◆ costs and expenses that are classified as extraordinary expenses under GAAP;
- ◆ allocable compensation for in-house legal, accounting and tax professionals employed by Fifth Down to the extent they provide services to the Fund that otherwise would have been provided by third party attorneys, accountants or tax advisors, as determined by a Fifth Down Principal reasonably and in good faith, based on actual hours engaged on matters relating thereto, provided Fifth Down determines in good faith that such allocable compensation would be less than the fees and disbursements that would otherwise be paid to third party attorneys, accountants or tax advisors for such services;
- ◆ all other fees, costs and expenses identified herein as Fund expenses or subject to payment by the Fund pursuant to the express terms of the Offering Documents;
- ◆ all fees, costs and expenses incurred in connection with the liquidation and winding up of the Fund; and
- ◆ all other expenses incurred by the Fund or Fifth Down in connection with operating the Fund or performing the duties as general partner or Manager; but not including ordinary overhead and administrative expenses that are to be borne by Fifth Down.

Offset Provisions

As specified in the Offering Documents, the Management Fee payable with respect to any fiscal quarter and in respect of a Fund investor may be reduced (but not below zero) by a Fund investor's

share of certain “**Fees Subject to Offset**” actually received in the immediately preceding Management Fee period. Fees Subject to Offset may include but are not limited to, transaction fees, consulting fees paid in cash, monitoring fees, management services payments or fees, directors’ fees, including options, warrants or other non-cash compensation, commitment fees, topping, break-up or similar fees and litigation proceeds. Investors should consult the relevant Offering Documents for details.

Warehouse Investments & Advances

Fifth Down and/or its Principals and certain third-party investors have in the past and may in the future acquire ownership interests in a portfolio company prior to formation of a Fund or initial closing of a Fund due to the timing of the investment opportunity. In connection with such investment opportunities, Fifth Down retains discretion, but shall not be obligated, to cause such investments to be transferred to the newly formed Fund for an amount equal to the sum of (i) the transferor’s cost, and (ii) any actual interest expense incurred by the transferor in respect of such investments. The Fund is responsible for applicable transfer fees, costs, and expenses due in connection with the warehouse transfer process, while such fees, costs and expenses are considered Fund expenses in accordance with the Fund’s Offering Documents.

Additionally, Fifth Down may, from time to time, advance funds to a Fund or entity to cover for investments and/or expenses of the Fund/entity, and recoup such advance (without receiving a fee/interest).

Allocation of Fees and Expenses

Fifth Down pays the expenses attributable to management company operations. A Fund generally pays (or reimburses Fifth Down) for its proportionate share of fees and expenses which are incidental or related to the maintenance of the Fund or the buying, selling, and holding of investments according to the methodology set forth in the Offering Documents of such Fund. Expenses that are attributable to more than one Fund generally are allocated among such Funds based on a methodology deemed appropriate and equitable by Fifth Down, for example on the basis of respective aggregate capital commitments or net assets under management.

Fifth Down, in certain cases, permits certain investors to co-invest in portfolio companies alongside one or more Funds, subject to Fifth Down’s related policies and the relevant Offering Documents and/or side letter(s). Where a co-invest vehicle is formed, such entity generally will bear the expenses related to its formation and operation, many of which are similar in nature to those borne by a Fund. If a transaction in which a co-investment was planned, including a transaction for which a co-investment was believed necessary in order to consummate such transaction or would otherwise be beneficial, in the judgment of the general partner, ultimately is not consummated, broken deal expenses relating to such proposed transaction will be borne by the Fund(s), and not by any potential co-investors, that were to have participated in such transaction.

B. Describe whether you deduct fees from clients’ assets or bill clients for fees incurred. If clients may select either method, disclose this fact. Explain how often you bill clients or deduct your fees.

Fifth Down is authorized under the Offering Documents of each Fund to charge and deduct advisory fees directly from the contributed capital and/or other assets of the applicable Fund.

Management Fees, where applicable, are generally payable by a Fund quarterly in advance. The general partner of a Fund typically makes capital calls on investors for their pro rata share of Fund expenses, including Management Fees. Following the dissolution of a Fund, the general partner of the Fund will, in accordance with Offering Documents, make a final determination of all items of income, gain, loss and expense. After payment or provision for payment of all liabilities and obligations of the Fund, the remaining assets, if any, will, in accordance with Offering Documents, be distributed to limited partner investors.

- C. Describe any other types of fees or expenses clients may pay in connection with your advisory services, such as custodian fees or mutual fund expenses. Disclose that clients will incur brokerage and other transaction costs, and direct clients to the section(s) of your brochure that discuss brokerage.**

The fees and expenses disclosed above in *Item 5A* and *Item 5B* do not necessarily represent all applicable fees and expenses borne by a Fund. For a complete description of all fees and expenses associated with a Fund, consult the applicable Fund's Offering Documents. For further discussion of brokerage fees, commissions and other related transaction costs and expenses, please refer to *Item 12 – Brokerage Practices*.

- D. If your clients either may or must pay your fees in advance, disclose this fact. Explain how a client may obtain a refund of a pre-paid fee if the advisory contract is terminated before the end of the billing period. Explain how you will determine the amount of the refund.**

Fund Management Fees, when applicable, are generally paid quarterly in advance. To the extent that Management Fees are paid in advance, there typically would not be any refund of pre-paid fees if the advisory contract is terminated before the end of a quarterly period. Under the legal terms of a Fund's subscription agreement that is signed by each limited partner investor for such Fund, investors are not permitted to withdraw from a Fund and are required to maintain their investments throughout the life of a Fund. The transfer or assignment of limited partner interests requires the approval of the Fund's general partner or Manager. See applicable Fund Offering Documents for more details.

- E. If you or any of your supervised persons accepts compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds, disclose this fact.**

Fifth Down and its employees do not accept compensation, including sales charges or service fees, for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds.

ITEM 6: PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

If you or any of your supervised persons accepts performance-based fees – that is, fees based on a share of capital gains on or capital appreciation of the assets of a client (such as a Client that is a hedge fund or other pooled investment vehicle) disclose this fact. If you or any of your supervised persons manage both accounts that are charged a performance-based fee

and accounts that are charged another type of fee, such as an hourly or flat fee or an asset-based fee, disclose this fact. Explain the conflicts of interest that you or your supervised persons face by managing these accounts at the same time, including that you or your supervised persons have an incentive to favor accounts for which you or your supervised persons receive a performance-based fee, and describe generally how you address these conflicts.

The Funds

In addition to the compensation discussed above in *Item 5 – Fees and Compensation*, the Manager or an affiliate of the Manager is typically eligible to receive performance-based compensation, also referred to as “**carried interest**.” Carried interest is equal to a percentage of a Fund’s or portfolio company’s net profits. Any carried interest will be paid in accordance with Section 205(3) of the Advisers Act, and the applicable rules promulgated thereunder, which specify certain qualification thresholds for clients of Fifth Down being assessed such a fee. Any share of profits paid to the general partner or Manager of a Fund is separate and distinct from the Management Fees charged for advisory services to a Fund.

Carried interest creates an incentive for Fifth Down to make more speculative investments for a Fund than it would otherwise make in the absence of such performance-based compensation. Nonetheless, conflicts of interest associated with carried interest are mitigated, where applicable, by: (i) the requirement that invested capital and related expenses be returned to investors before the general partner or Manager of a Fund becomes entitled to receive any carried interest; (ii) claw back provisions; and (iii) the requirement that the general partner or Manager make a capital commitment to a Fund.

Additionally, when Fifth Down personnel are assigned varying percentages of carried interest from a Fund, such personnel are subject to potential conflicts of interest, when they are involved in identifying investment opportunities as appropriate for Funds from which they are entitled to receive a higher carried interest percentage. Fifth Down seeks to address the potential for conflicts of interest in these matters with allocation policies and/or practices which provide that transactions and investment opportunities be allocated to a Fund in accordance with each Fund’s investment guidelines and Offering Documents, as well as other factors that do not include the amount of performance-based compensation received by the Manager or its personnel.

Side-by-Side Conflicts

An investment opportunity could be suitable for one or more Funds. In such instances Fifth Down retains sole discretion to allocate the investment across eligible clients in a manner that it deems to be fair and equitable, taking into account all relevant facts and circumstances, including (without limitation): (i) the investment objectives, strategies, guidelines and restrictions of each eligible client/Fund; (ii) the relevant allocation of investment opportunity provisions in a client’s agreement and/or Fund’s Offering Documents; (iii) differences with respect to available capital (e.g., current or anticipated capital available for investment, including anticipated follow-on investments, if applicable), size, and investment period; (iv) potential conflicts of interest, including whether a client has an existing investment in the opportunity in question; (v) the nature of the investment opportunity, including the size, minimum investment amounts and source of the

opportunity; (vi) current and anticipated market conditions; (vii) portfolio diversification; (viii) tax, legal or regulatory considerations; or (ix) any other factors Fifth Down believes to be relevant in making an allocation decision. Such allocation decision will not be driven by the potential fee or other benefits accruing to Fifth Down.

ITEM 7: TYPES OF CLIENTS

Describe the types of clients to whom you generally provide investment advice, such as individuals, trusts, investment companies, or pension plans. If you have any requirements for opening or maintaining an account, such as a minimum account size, disclose the requirements.

Client Types

Fund limited partners may include high net worth individuals, trusts, estates, family offices, ERISA plans, or other corporations or business entities and may include, directly or indirectly, employees of Fifth Down and its affiliates and members of their families.

Investment minimums with regard to the Funds are set forth in each Fund's Offering Documents. Fifth Down may waive or reduce minimum Fund investment requirements and reserves the right to decline any investor in its sole discretion.

In accordance with a Fund's Offering Documents, the Manager may form feeder funds, parallel funds, SPVs, "friends and family" vehicles, or other investing entities to facilitate investment by certain investors. Economic terms across Funds and other investment vehicles may vary.

ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES, RISK OF LOSS

- A. Describe the methods of analysis and investment strategies you use in formulating investment advice or managing assets. Explain that investing in securities involves risk of loss that clients should be prepared to bear.**

Methods of Analysis and Investment Strategies

Fifth Down is primarily focused on making venture and growth equity investments in high-growth consumer and technology related companies but may also invest in buyout and secondary opportunities. Fifth Down also invests in third-party investment funds, in secondary LP interests of third-party investment funds, and in collectible sports cards. Fifth Down generally makes investments in the United States, but is authorized to invest, as opportunity dictates, in companies and investment funds organized and or located outside the United States.

Fifth Down follows a process surrounding deal evaluation, due diligence, structuring, and execution. Stages of the investment process are outlined below.

- ◆ Seeing the Opportunity – the Principals identify private investment opportunities through their extensive network of contacts and investors; preliminary information reviewed by a Principal is used to determine if an opportunity fits the Fund’s investment criteria.
- ◆ Initial Transaction Review - for appropriate opportunities, Fifth Down engages with network contacts, buy and sell-side advisors, and management teams to better understand the investment (seller dynamic, growth opportunities, key issues, etc.).
- ◆ Transaction Review – as a continuation of the due diligence process, a meeting with the management team will typically occur during this stage to further evaluate the target entity business model. Fifth Down team members conduct analysis and further review products, customers, vendors, operations, financials, and various other functional areas of the business. In the technology sector, Fifth Down will often rely upon due diligence conducted by co-investors. The co-investors facilitating the referenced due diligence are not typically compensated by Fifth Down or the applicable Fund. These co-investors may retain pre-existing investments, via non-affiliated entities, in prospective investments.
- ◆ Approvals – if the prospective investment is targeted for a Fund, is deemed an attractive investment, and fits the parameters established by the Offering Documents, it is reviewed and approved by the Investment Committee.
- ◆ Closing Process – for a Fund investment, legal documents are prepared by legal counsel on behalf of Fifth Down and executed accordingly.
- ◆ Ongoing Portfolio Management – following acquisition, Fifth Down communicates (where possible) regularly with each respective portfolio fund manager and portfolio company on matters pertaining to operations, key strategic initiatives, business risks/issues, capital structure, and the pursuit of add-on targets. One or more Principals of Fifth Down, or their appointees, may serve on a portfolio company’s board of directors when appropriate to influence management of the company until the investment is exited.
- ◆ Exit - strategies for exiting an investment are evaluated periodically, starting before the investment is closed. During the investment period, Fifth Down monitors market conditions, and communicates with co-investors and strategic buyers through its information and network channels prior to launching a sale process. An investment may be exited through the private markets or by way of an initial public offering. As further discussed in the *Risk of Loss* section below, Fifth Down generally does not take controlling interests in a portfolio company, therefore, other investors in such portfolio companies or portfolio funds will generally have more influence in decisions made by and affecting such portfolio companies or portfolio funds.

Risk of Loss

The investments described herein involve significant risks and should be undertaken only by investors capable of evaluating and bearing such risks. Fund returns are unpredictable and, accordingly, a Fund investment program is not suitable as the sole investment vehicle for an

investor. A prospective investor should only invest in a Fund as part of a broader overall investment strategy, and only if the prospective investor is able to withstand a total loss of its investment. Prospective Fund investors should carefully consider, among other factors, the matters described below, each of which could have an adverse effect on the value of an investment. Due to these factors, as well as other risks inherent in any investment, there can be no assurance that an investment will meet its expected return objectives.

The risks disclosed in this Brochure do not represent all risks and other considerations involved in connection with an investment in a Fifth Down Fund. Prospective investors should make their own inquiries and investigation, including an evaluation of the merits and risks involved and the legality and tax consequences of investing, and consult their own advisors as to the merits of investing, and the legal, tax and related matters concerning an investment in a Fund or direct investment.

B. For each significant investment strategy or method of analysis you use, explain the material risks involved. If the method of analysis or strategy involves significant or unusual risks, discuss these risks in detail. If your primary strategy involves frequent trading of securities, explain how frequent trading can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

Investments in private companies and pooled vehicles involve a high degree of risk and are suitable only for investors of substantial means who have no immediate need for liquidity of the amount invested and who can afford a risk of loss of all or a substantial part of such investment. There can be no assurance that the investment objectives of any Fund will be achieved or that a investor will receive a return of his/her/its capital. Interests in private companies and the Funds are illiquid and are not freely transferable.

Prospective investors should carefully consider the risks enumerated below knowing that these risk disclosures do not fully capture the investment risks attendant to private company investments.

Material Risks of Investment for the Funds

Concentration of Investments

Fund portfolios will participate in a limited number of investments which may be concentrated in one industry or one industry segment. As a result, a Fund's investment portfolio could become highly concentrated whereby the performance of one holding or a few holdings may substantially affect the portfolio's aggregate return.

General Risks Associated with Portfolio Investments

Identifying and participating in attractive investment opportunities and assisting in the building of successful young enterprises is challenging. There is no assurance that investments will be profitable and there is a substantial risk that losses and expenses will exceed an investment's income and gains. There generally will be little or no publicly available information regarding the status and prospects of portfolio companies, portfolio funds, secondary LP interests or collectible sports cards. Many Fifth Down investment decisions will be dependent upon the ability of its employees and agents, including the Principals, to obtain relevant information from non-public sources, and Fifth Down may be required to make recommendations and decisions without

complete information or in reliance upon information provided by third parties that is impossible or impracticable to verify. The marketability and value of each investment will depend upon many factors beyond the control of Fifth Down. Typically, although persons associated with Fifth Down may serve on a portfolio company's board of directors or on a portfolio fund's advisory committee or similar body, each portfolio company will be managed by its own officers and each portfolio fund will be managed by its general partner, management company or other sponsor entity (who, in each case, generally will not be affiliated with Fifth Down). Portfolio companies and portfolio funds may have substantial variations in operating results from period to period, face intense competition, and experience failures or substantial declines in value at any stage.

Portfolio Company Risks

Portfolio companies in which a Fund invests may, among other things, (i) have limited product lines, financial resources, markets, facilities and personnel, (ii) be particularly sensitive to the economic environment, (iii) face intense competition, including from companies with greater resources, market share and capabilities, (iv) need more capital to succeed than their investors can provide, (v) require substantial amounts of business and management restructuring, (vi) be significantly leveraged (thereby subjecting them to increased risks of operating loss and business failure which could be magnified in the event of a recession or other business downturn), and (vii) be foreign and therefore subject to unfavorable changes in currency rates and exchange control regulations, less stringent accounting standards, illiquidity of securities and markets, higher brokerage commissions and custody fees, local economic or political instability, unfavorable local laws and greater market risk in general. Further, a Fund's interests in portfolio companies are likely to be illiquid and subject to dilution by additional financings and other issuances by the portfolio companies. Any such issuance by a portfolio company could result in significant dilution or other adverse consequences to the portfolio company's existing investors, particularly to those who do not have the resources to adequately protect their interests (and even more so if faced with "pay to play" or other punitive provisions).

A Fund may focus on investing in portfolio companies that are technology companies. The value of a Fund's interests may be susceptible to factors affecting the technology industry and to greater risk and market fluctuation than an investment in a fund that invests in a broader range of securities. The specific risks faced by such companies include: (i) rapidly changing science and technologies; (ii) new competing products and improvements in existing products which may render existing products or technologies obsolete; (iii) exposure to a high degree of government regulation, making these companies susceptible to changes in government policy and failures to secure, or unanticipated delays in securing, regulatory approvals; (iv) scarcity of management, technical, scientific, research and marketing personnel with appropriate training; (v) the possibility of lawsuits related to patents and intellectual property; and (vi) rapidly changing investor sentiments and preferences with regard to technology sector investments (which are generally perceived as risky).

A Fund may also invest a significant portion of its capital in companies that manufacture, market, and distribute consumer products. The consumer products industry is highly competitive and marked by relatively low barriers to entry. Portfolio companies in which a Fund invests will likely face competition from larger companies with greater resources to introduce and market new products. Such competitive pressures could adversely impact the ability of a Fund's portfolio

companies to maintain profit margins and negatively affect the value of a Fund's Interests. In addition, the success of consumer product companies is tied to the performance of the overall economy and fluctuations in discretionary household income, as well as to consumer confidence, demand, and preferences, which can change frequently and in unpredictable ways. Such companies can also be significantly affected by changing demographics, trends, marketing campaigns, online reviews, environmental factors, federal, state, and local regulations and government supervision, and consumer product liability claims. Unfavorable developments with respect to any of these factors could materially and negatively affect a Fund's portfolio companies and result in losses to the Fund.

Portfolio Fund Risks

With respect to any investments in portfolio funds or secondary LP interests, a Fund will be subject to all of the risks which are attendant to investing in venture capital and private equity funds. Among other things, any particular portfolio fund may (i) have managers with limited experience in managing funds and without extensive track records, (ii) be dependent on a limited number of managers and other key personnel who are free to leave and difficult to replace, (iii) have compensation arrangements with managers and other key personnel that are not on fair market terms, (iv) have difficulty in identifying and making suitable portfolio company investments due to competition, limited resources, market conditions, unavailability of acceptable leverage and other factors, (v) be overly concentrated in a particular industry, market segment or geographic area, (vi) have other investors who default in making their contributions, (vii) have portfolio company investments that are illiquid or difficult to value, (viii) require investors to continue to make contributions notwithstanding the poor performance of the portfolio fund, (ix) impose severe penalties for failing to make contributions as called for, (x) lack cash to distribute to a Fund, and (xi) have portfolio company investments that fail for any number of reasons. Projections and past performance information regarding any particular portfolio fund or its managers may not be accurate indicators of the future performance of the portfolio fund or its managers. Interests of a Fund in portfolio funds are likely to be illiquid and required to be held for a long period of time.

Collectible Sports Card Risks

A Fund may invest in collectible sports cards. In identifying and evaluating any such investment, the Fund will rely heavily on the Principals' knowledge of the collectible sports card industry. The value of such investments may be difficult to determine and the market for and value of collectible sports cards can fluctuate significantly based on a number of factors. There may be a limited market for a Fund's investments in collectible sports cards and a Fund may be required to hold such investments for a long period of time.

Limited or No Control over Portfolio Companies or Portfolio Funds

Fifth Down, and the Funds generally will not seek control over the management of the portfolio companies, secondary LP interests, and portfolio funds in which it invests, and the success of each investment generally will depend on the ability and success of the management of the portfolio company or the portfolio fund. Funds will almost always invest in companies in which other venture capital or private equity firms have made investments. Fifth Down may not have an opportunity to serve as a member of the board of directors of its portfolio companies or to participate in any advisory committee or similar body of a portfolio fund. As a result, other investors in such portfolio companies or portfolio funds may have more influence in decisions

made by and affecting such portfolio companies or portfolio funds. The mere fact that Fifth Down disagrees with decisions made by other investors in a portfolio company or portfolio fund likely will not trigger any particular ability of the Fund to dispose of its investment in such portfolio company or portfolio fund, with the result that the value of the Fund's investment in a portfolio company or portfolio fund may be materially impacted by the decisions of other investors.

Minority Stake in Investments

Investments will generally consist of minority stakes in privately held companies. In addition, during the process of exiting investments, a Fund may be required to hold minority equity stakes if portfolio companies are taken public. Minority stakes that a Fund may hold will have neither the control characteristics of majority stakes nor the valuation premiums accorded to majority or controlling stakes.

Public Health Risks; Pandemics

Fund investments could be materially and adversely affected by the risks related to an epidemic, pandemic or outbreak of an infectious disease or any other serious public health concern (for example, the novel coronavirus COVID-19), the public perception of risks related to such an event and any ongoing public health risk mitigation (e.g., travel restrictions, quarantines etc.) may have a deleterious effect on the economic performance of portfolio company holdings. Such public health concerns have been and can be highly disruptive to economic and business activity and may lead, to supply chain disruptions and lower consumer demand, which may adversely affect the operating performance of the portfolio companies in which a Fund invests. Further, such events can significantly disrupt the operations of individual companies (including, but not limited to, Fifth Down, portfolio companies, secondary LP interests, portfolio funds, and third-party service providers), sectors, industries, currencies, interest and inflation rates and other factors affecting the value of a Fund's investments. A climate of public health uncertainty and economic volatility may also reduce the availability of potential investment opportunities and increase the difficulty of performing due diligence and modeling market conditions, potentially reducing the accuracy of financial projections.

Additional Risks – The Funds

Long-Term Investment

An investment in a Fund is a long-term commitment and there is no assurance of any distribution to Fund investors. A Fund will have no source of funds from which to make distributions to the Fund investors other than from returns of, and income and gains on, its investments. It is uncertain as to when profits, if any, will be realized. Losses on unsuccessful investments may be realized before gains on successful investments are realized. The return of capital and the realization of gains, if any, generally will occur only upon the partial or complete disposition of an investment. While an investment may be sold at any time, it is not generally expected that this will occur for a number of years after the investment is initially made. Before such time, there may be no current return on the investment. Furthermore, the expenses of operating a Fund (including the annual Management Fee payable to Fifth Down) may exceed its income, thereby requiring that the difference be paid from Fund capital.

Limited Transferability of Interests; Withdrawals

Offering Documents and applicable securities laws impose substantial restrictions upon the transferability of Fund interests. There is no public or other market for Fund interests, and it is not expected that such a market will develop. Withdrawal of Fund investors from a Fund generally will not be permitted, although the Offering Documents may specify certain circumstances under which a Fund investor may be entitled, or required, to withdraw from a Fund. A withdrawn Fund investor may not be entitled to immediate payment for its interest in the Fund. Any withdrawal of a Fund investor may reduce the amount of Fund capital available for investment or other activities.

Competition

The venture and private equity financing business is highly competitive and has become more so in recent years due to a substantially increased flow of capital into venture funds and similar investment organizations. The Fund will be competing with other established companies and funds with substantial resources and experience. There is no assurance that a Fund will be able to invest its capital on attractive terms.

Changes in Environment

A Fund's investment program is intended to extend over a period of years, during which the business, economic, political, regulatory, and technology environment within which a Fund operates may undergo substantial changes, some of which may be adverse to a Fund strategy or holding. Fifth Down will have the exclusive right and authority (within limitations set forth within Offering Documents) to determine the manner in which a Fund shall respond to such changes, and Fund investors generally will have no right to withdraw from a Fund or to demand specific modifications to a Fund's operations in consequence thereof. Prospective investors are particularly cautioned that the investment sourcing, selection, management and liquidation strategies and procedures exercised by members of the general partner or Manager in the past may not be successful, or even practicable, during a Fund's term.

Reliance on Fifth Down and the Principals

A Fund will be particularly dependent upon the efforts, experience, contacts and skills of the Principals and other individual members of Fifth Down, as well as members of the Investment Committee. The loss of any such individual could have a material adverse effect on a Fund, and such loss could occur at any time due to death, disability, resignation, or other reasons. In particular, certain members of the Investment Committee will have no contractual or other obligation to continue as members thereof or to provide any particular benefits. Moreover, except as specifically provided in the Offering Documents, such individuals will not be required to devote their time and attention exclusively to a particular Fund.

Additional members may be appointed to the Investment Committee following a Fund's initial closing and the Fund investors will have no power to prevent any specific person from being appointed. Although the Investment Committee will review potential investments, it will make recommendations only, with final investment decisions to be made at the discretion of the general partner or Manager. Within Fifth Down and its affiliate entities, the economic, voting, and other rights of the members of Fifth Down, and of other individuals and bodies associated with Fifth Down will be determined by agreement among such individuals and bodies and will be subject to change, without notice to Fund investors, from time to time. Fund investors will not be permitted to evaluate investment opportunities or relevant business, economic, financial, or other

information that will be used by Fifth Down in making decisions. Except as specifically provided in Offering Documents, Fifth Down will have the exclusive right and power to manage a Fund's business and affairs.

In addition to the Advisory Committee and Investment Committee, Fifth Down may appoint or admit certain persons to advisory or other committees or boards intended to assist Fifth Down by providing advice, industry contacts, deal flow, technical expertise, or other benefits deemed to be useful to the management of a Fund or portfolio company. Under most circumstances, such persons will have no contractual or other obligation to continue as members of such committees or boards or to provide any particular benefits. In evaluating an investment in a Fund, prospective investors should not depend upon any specific benefits accruing to Fifth Down or the Fund in respect of any such advisory or other committees or boards or the members thereof.

Reserves

In managing a Fund, Fifth Down may establish reserves for follow-on investments in portfolio companies, operating expenses (including, without limitation, Management Fees), Fund liabilities, and other matters. Estimating the amount necessary for such reserves is difficult, particularly because follow-on investment opportunities are directly tied to the success and capital needs of portfolio companies. Inadequate or excessive reserves could have a material adverse effect upon the investment returns to Fund investors. For example, if reserves are inadequate, a Fund may be unable to take advantage of attractive follow-on or other investment opportunities. Similarly, if reserves are excessive, a Fund may decline attractive investment opportunities or hold unnecessary amounts of capital in money market or similar low-yield accounts.

Advancing Funds

Advancing funds to entities can create short term leverage. Given the advance is not a subscription, in the event the advance is not filled with a subscription, and an investment goes down in value, an advance can create incremental loss.

Warehousing Investments

Fifth Down, or an affiliate, may warehouse one or more investments on behalf of a Fund to acquire investments prior to admission of third party investors. The value of these investments may decline prior to or following the transfer of such investments to a Fund, but any decline in value of the investment may not affect the purchase price paid by the Fund (which would typically be at cost), which could result in losses to the Fund.

- C. If you recommend primarily a particular type of security, explain the material risks involved. If the type of security involves significant or unusual risks, discuss these risks in detail.**

See *Item 8B* above for information about material risks.

ITEM 9: DISCIPLINARY INFORMATION

If there are legal or disciplinary events that are material to a client's or prospective client's evaluation of your advisory business or the integrity of your management, disclose all material facts regarding those events.

Fifth Down is not aware of any legal or disciplinary events that would be material to an investor's or a prospective investor's evaluation of Fifth Down or the integrity of its management.

ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

- A. If you or any of your management persons are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer, disclose this fact.**

Neither Fifth Down nor any management person is registered or has an application pending to register, as a securities broker-dealer or registered representative of a broker-dealer.

- B. If you or any of your management persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading adviser, or an associated person of the foregoing entities, disclose this fact.**

Neither Fifth Down nor any management person is registered or has an application pending to register, as a futures commission merchant, commodity pool operator, commodity trading adviser, or an associated person of the foregoing entities. If applicable, the Manager is expected to operate pursuant to an exemption from registration with the Commodity Futures Trading Commission ("CFTC") as a commodity pool operator under CFTC Rule 4.13(a)(3).

- C. Describe any relationship or arrangement that is material to your advisory business or to your clients that you or any of your management persons have with defined related persons. Identify the related person and if the relationship or arrangement creates a material conflict of interest with clients, describe the nature of the conflict and how you address it.**

Relying Adviser

As noted above in *Item 4 – Advisory Business*, Fifth Down Cap LLC is affiliated through common ownership with Fifth Down Capital Partners, LLC, which acts as a *relying adviser* with respect to certain Fifth Down Funds. The relying adviser shares common owners, and may in the future share officers, partners, employees, consultants, and/or persons occupying similar positions. Both entities operate as a single regulated investment advisory business in reliance upon SEC guidance.

Affiliated General Partners

As noted above in *Item 4 – Advisory Business*, affiliated entities owned and controlled by our Principals serves as the general partner for each of the Funds.

Portfolio Company Involvement

As noted throughout this Brochure, Fifth Down Principals spend a substantial portion of their business time on one or more Funds as required under the terms of each Fund's Offering

Documents. One or more Principals of Fifth Down may serve on a portfolio company's board of directors (or as a board observer) until the investment is exited.

A Principal's involvement with portfolio company operations introduces a conflict of interest between the fiduciary duty he or she owes as a member of a portfolio company board and the fiduciary duty he or she owes to a Fund. To meet its fiduciary duty, Fifth Down will take such action as may be necessary to reduce, and where possible, eliminate any such conflict of interest. Such action may include seeking guidance from a Fund's Advisory Committee (when applicable), refraining from voting on certain portfolio company matters, or resigning the Principal's portfolio company board position. Principals are not compensated for serving on a portfolio's company board of directors.

Portfolio Company Consulting Services

Certain portfolio companies in which the Funds are invested may hire Fifth Down, or an affiliate, to perform certain services such as assistance with the preparation of financial statements, consultation on business strategy, introductions to business network and consultation on general business matters. The portfolio companies freely determine whether such services are needed and if so, independently negotiate associated fees. Services are provided with a view toward reducing costs and improving portfolio company performance. There can be no assurance that a more qualified and/or lower cost alternative services could not be obtained.

Any consulting fees earned by Fifth Down, or its affiliate, may be subject to offset (for fees paid in cash), or contributed to a Fund (for fees paid in securities of the portfolio company).

D. If you recommend or select other investment advisers for your clients and you receive compensation directly or indirectly from those advisers that creates a material conflict of interest, or if you have other business relationships with those advisers that create a material conflict of interest, describe these practices, and discuss the material conflicts of interest these practices create and how you address them.

As noted above, in accordance with governing advisory agreements or a Fund's Offering Documents, Fifth Down Funds may invest directly in portfolio funds sponsored by independent third parties, or acquire secondary LP interests in funds sponsored by independent third parties. Neither Fifth Down nor any of its affiliates receives any compensation from the independent third-party managers sponsoring such funds.

ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

A. If you are an SEC-registered adviser, briefly describe your Code of Ethics adopted pursuant to SEC Rule 204A-1 or similar state rules. Explain that you will provide a copy of your Code of Ethics to any client or prospective client upon request.

Fifth Down values investor trust and places its fiduciary responsibilities to the Funds and investors first and foremost in all aspects of its business. In accordance with Rule 204A-1 under the Advisers

Act, Fifth Down has adopted a code of ethics (the “**Code of Ethics**”). The Code of Ethics outlines a high standard of business conduct and reinforces each employee’s role in discharging his fiduciary duty to the Funds and investors. The Code of Ethics sets forth standards of conduct expected of Fifth Down’s employees, reflects fiduciary standards, and addresses conflicts that may arise from personal trading, gifts and entertainment, and outside business activities, among others. Fifth Down is committed to maintaining the confidentiality, integrity, and security of current and prospective investors’ non-public personal information and adheres to high standards to safeguard such information.

Standards of Conduct

Fifth Down’s standards of conduct are designed to ensure that investors, employees, and its business is protected from unethical and unprofessional conduct, guided by policies which:

- ◆ Monitor, and where applicable, disclose outside business activities of employees
- ◆ Seek to protect confidential information
- ◆ Prohibit dealings with parties sanctioned by the Office of Foreign Assets Control
- ◆ Facilitate compliance with federal and state securities statutes

Personal Trading

Employees are permitted to maintain personal securities accounts if personal investing practices are consistent with fiduciary standards and regulatory requirements, and do not conflict with their duty to Fifth Down and its investors. Fifth Down monitors and controls personal trading through:

- ◆ Receipt and review of personal securities holdings and transaction reports
- ◆ Pre-approval of initial public offerings, limited offerings, and private placements
- ◆ Implementation of a restricted list of securities in which employees are not permitted to trade or must receive pre-approval to trade

Insider Trading

Fifth Down prohibits any employee from illegally acting on, misusing, or disclosing any material non-public information, also known as “**inside information**”. Fifth Down monitors risks associated with inside information by:

- ◆ Providing periodic employee education
- ◆ Authorizing and monitoring employee service on boards of public companies
- ◆ Monitoring personal trading of employees and certain household members
- ◆ Maintaining a compliance program to guide employee activity

A copy of Fifth Down’s Code of Ethics is available to any current or prospective investor by contacting us at ir@fifthdown.vc.

B. If you or a related person recommends to clients, or buys or sells for client accounts, securities in which you or a related person has a material financial interest, describe your practice, and discuss the conflicts of interest it presents. Describe generally how you address conflicts that arise.

Fund Investments

The Principals of Fifth Down hold direct interests in certain investments recommended to and/or invested in by a Fund. For any Fund, an affiliated general partner of such Fund holds or is expected to hold a direct interest in such Fund and, therefore, holds or will hold indirect beneficial interests in each of the investments owned by a Fund and will share in any profits and losses generated by Fund investments. Principals and employees also hold limited partner interests in certain Funds.

Fifth Down and its employees will always endeavor to act in the best interest of the Funds and investors. However, investors should be aware that the receipt of compensation from a direct investment or portfolio fund creates a conflict of interest with respect to such investments. Where actual or potential conflicts of interest between Fifth Down, affiliates, related persons, and/or a Fund are identified, procedures contained in the Offering Documents of a Fund, client advisory agreement, and/or Fifth Down's compliance policies guide appropriate resolution.

In the case of a material conflict of interest, the determination as to which factors are relevant, and the resolution of such conflicts, will be made using Fifth Down's best judgment and in accordance with the Manager's Code of Ethics, but in its sole discretion. In resolving a material conflict, Fifth Down considers various factors, including the fiduciary standard of care and the interests of the applicable clients and Funds with respect to the immediate issue and/or with respect to their longer-term courses of dealing. Many important conflicts of interest generally will be disclosed in and addressed by defined procedures, internal controls, or other provisions contained in a Fund's Offering Documents. For any Fund that has designated an Advisory Committee, such Committee will be consulted when deemed necessary and in accordance with a Fund's Offering Documents, however decision-making authority remains vested with Fifth Down.

Warehouse Investments

As noted above in *Item 5 – Fees and Compensation*, Fifth Down or a Principal may retain a share of certain warehoused investments held in one or more Funds (which is separate from their interest in the Fund's general partner). This arrangement represents a conflict of interest. To manage the conflict, details of such transactions are disclosed in the Offering Documents of the applicable Fund. Fifth Down has established policies and procedures to comply with the requirements of the Advisers Act as they relate to principal transactions, including providing disclosures and obtaining prior consents relative to any future transaction involving such portfolio company.

- C. If you or a related person invests in the same securities (or related securities, e.g., warrants, options, or futures) that you or a related person recommends to clients, describe your practice, and discuss the conflicts of interest this presents and generally how you address the conflicts that arise in connection with personal trading.**

See *Item 11B* above.

- D. If you or a related person recommends securities to clients, or buys or sells securities for client accounts, at or about the same time that you or a related person buys or sells the same securities for your own (or the related person's own) account, describe**

your practice, and discuss the conflicts of interest it presents. Describe generally how you address conflicts that arise.

See *Item 11B* above.

ITEM 12: BROKERAGE PRACTICES

A. Describe the factors that you consider in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their compensation (e.g., commissions).

Typically, the purchase or sale of an investment will involve a privately negotiated transaction with the issuer, prospective seller, or prospective purchaser(s) of the security, and generally will not involve the services of a traditional broker or dealer as is customary in the transaction of registered securities. Fifth Down seeks to negotiate and execute transactions in compliance with the Offering Documents of a Fund and/or client advisory agreements, its fiduciary duty to a Fund and investors, and its compliance policies and procedures. Fifth Down and its clients and Funds will generally not take a controlling ownership position within a portfolio investment, and therefore will not be in a position to control the timing or nature of an investment's exit.

With regard to the purchase and sale of certain portfolio companies, however, it may be necessary for Fifth Down to engage a broker, dealer, investment bank, or other intermediary to ensure that a transaction is closed in a manner most advantageous to a Fund. When executing portfolio transactions using an intermediary, Fifth Down will seek the best overall execution terms available to close the deal expeditiously and on terms most favorable to clients and investors.

In assessing the best overall terms available for a transaction, the full range and quality of an intermediary's services are considered, including execution capability, experience in venture capital and private equity transactions, network of contacts and relationships, fees (or their equivalents), reputation and integrity, and financial responsibility. Intermediary arrangements are guided by contractual agreements in part to protect the integrity and confidentiality of Fund investment activity and to seek assurances as to the proper qualifications of such intermediaries.

If a Fifth Down Fund receives ownership interests in a public security due to an initial public offering or other liquidity event specific to an investment, Fifth Down retains discretion to use its best efforts to dispose of such public security in accordance with its fiduciary duty and compliance policies in force at such time.

1. Research and Other Soft Dollar Benefits. If you receive research or other products or services other than execution from a broker-dealer or a third party in connection with client securities transactions ("soft dollar benefits"), disclose your practices and discuss the conflicts of interest they create.

Fifth Down does not engage in soft dollar arrangements, which are a means of paying brokerage firms for their services through commission revenue rather than by direct hard dollar payments. Fifth Down may receive general unsolicited research from certain market intermediaries or

investment banks specializing in private equity and venture capital investments but has no contractual obligation to compensate or do business with such research providers.

- 2. Brokerage for Client Referrals. If you consider, in selecting or recommending broker-dealers, whether you or a related person receives client referrals from a broker-dealer or third party, disclose this practice and discuss the conflicts of interest it creates.**

Fifth Down does not receive client referrals from broker-dealers or third parties utilized to arrange Fund investments.

- 3. Directed Brokerage. If you routinely recommend, request, or require that a client direct you to execute transactions through a specified broker-dealer, describe your practice or policy. If you permit a client to direct brokerage, describe your practice.**

Fifth Down does not engage in directed brokerage arrangements.

- B. Discuss whether and under what conditions you aggregate the purchase or sale of securities for various client accounts. If you do not aggregate orders when you have the opportunity to do so, explain your practice and describe the costs to clients of not aggregating.**

Allocation and Aggregation of Transactions

If an investment opportunity is deemed suitable for more than one Fund, Fifth Down will allocate the investment on a fair and equitable basis, consistent with the applicable client agreement, Fund Offering Documents, compliance policies and procedures, and fiduciary duty. Portfolio investments will generally be allocated across eligible Funds on a *pro rata* basis, with exceptions based on applicable investment objectives, strategies, and other guidelines. When the investment period of a Fund has expired, with the exception of certain follow-on investments to existing portfolio company positions and investments committed to prior to the end of the investment period, a Fund will generally not engage in new acquisition transactions. Fifth Down's investment discretion to allocate investment opportunities is exercised in accordance with the Offering Documents of applicable Funds.

Under its investment allocation policies, Fifth Down considers certain criteria, including, among others: (i) Fund objectives; (ii) Fund size and available investment capital; (iii) Fund diversification guidelines; (iv) size, nature, and timing of the investment opportunity; and (v) current and anticipated market conditions.

Conflicts of Interest - Allocation of investment Opportunities

A conflict of interest may arise relative to the allocation of investment opportunities. For example, if a successor Fund is considering a portfolio company investment during the investment period of a predecessor Fund, or if an investment is to be made by a successor Fund in a security that constitutes a follow-on investment for the predecessor Fund, a conflict of interest will likely arise.

A conflict may also arise when different Funds with different investment objectives have common investment interests in a particular prospective portfolio company or group of companies. Except as required by the relevant Offering Documents or client agreement, Fifth Down is not obligated to recommend any particular investment to any particular Fund.

A conflict of interest arises when one or more Fifth Down Principals maintain an ownership stake in an investment that is also owned by a Fund. In such situations, Fifth Down will rely upon full disclosure, and where necessary, Fund consent before transacting.

Other Conflicts of Interest

Under the terms of a Fund's Offering Documents, a Fund may form an Advisory Committee to consider certain Fund transactions that involve conflicts of interests. However, the Advisory Committee will not necessarily represent the interests of all a Fund's investors and the members of the Advisory Committee may themselves be subject to various conflicts of interest. In general, Fund investors will not be entitled to control the selection of members of the Advisory Committee or to review the actions or deliberations of the Advisory Committee.

During a Fund's term, many different types of conflicts of interest, some of which are outlined below, may arise and this Brochure does not purport to identify all such conflicts. Fund investors ultimately will be heavily dependent upon the good faith of Fifth Down and its affiliates to carefully identify and manage conflicts in accordance with fiduciary precepts.

Valuation

Asset/portfolio valuation represents a conflict of interest for Fifth Down. Valuations are inherently subjective as there is no public exchange for private investments or for the trading of limited partnership or membership interests in a Fund. The process of valuing assets for which reliable market quotations are not available requires the Fifth Down to rely on various valuation inputs which may result in significant fluctuations in portfolio company valuations. Fifth Down cannot fully mitigate the conflicts and risks inherent in the valuation process but seeks to mitigate these conflicts and risks through its investment process and consistently adhering to Fifth Down's valuation policy.

Consulting Fees

As noted above in *Item 10*, Fifth Down, or its affiliate, may receive consulting fees, or similar compensation, from portfolio companies or portfolio funds of a Fund. While such fees may in some cases trigger a "Management Fee offset" under Offering Documents or governing agreements, there is no assurance that a Fund will economically benefit from any particular portfolio company or portfolio fund fees received by Fifth Down.

Side Letters

In accordance with common industry practice, a Fund may enter into one or more "side letters" or similar agreements with certain Fund investors pursuant to which the Fund grants to such investors specific rights, benefits or privileges that are not made available to Fund investors generally. Such agreements will be disclosed only to those actual or potential investors that have separately negotiated with the Fund for the right to review such agreements.

ITEM 13: REVIEW OF ACCOUNTS

- A. Indicate whether you periodically review client accounts or financial plans. If you do, describe the frequency and nature of the review, and the titles of the supervised persons who conduct the review.**

Fund Investments are generally private, illiquid and long-term in nature. Accordingly, the review process is not directed toward short-term decision to dispose of securities. Fifth Down closely monitors companies in which the Funds invests, and its policies require reviews no less than annually. However, they are generally performed quarterly to confirm that each Fund is maintained in accordance with its stated objective.

- B. If you review client accounts on other than a periodic basis, describe the factors that trigger a review.**

Reviews may take place more frequently if triggered by economic, market or political conditions, or by events or circumstances specific to portfolio companies or portfolio funds.

- C. Describe the content and indicate the frequency of regular reports you provide to clients regarding their accounts. State whether these reports are written.**

Investors in the Fund will generally receive unaudited reports of performance quarterly and will receive audited year-end financial statements annually. Investors in the Funds will generally receive audited year-end financial statements annually.

ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION

- A. If someone who is not a client provides an economic benefit to you for providing investment advice or other advisory services to your clients, generally describe the arrangement, explain the conflicts of interest, and describe how you address the conflicts of interest. For purposes of this Item, economic benefits include any sales awards or other prizes.**

As noted above in *Item 10*, Fifth Down, or an affiliate, may receive compensation from certain portfolio companies in connection with consulting services provided to such companies.

Fifth Down may also be eligible to receive fees and other compensation, such as breakup fees, from transactions not consummated by a Fund in connection with a Fund's proposed investment in such transactions. As described more fully in a Fund's Offering Documents and in previous sections of this Brochure, such fees and other compensation may or may not be shared in part or in whole, with the limited partner investors through reductions or offsets against Management Fees, where applicable, that would otherwise be payable by them.

- B. If you or a related person directly or indirectly compensates any person who is not your supervised person for client referrals, describe the arrangement and the compensation.**

Fifth Down does not directly or indirectly compensate any third party for client referrals.

ITEM 15: CUSTODY

If you have custody of client funds or securities and a qualified custodian sends quarterly, or more frequent, account statements directly to your clients, explain that clients will receive account statements from the broker-dealer, bank or other qualified custodian and that clients should carefully review those statements. If your clients also receive account statements from you, your explanation must include a statement urging clients to compare the account statements they receive from the qualified custodian with those they receive from you.

Custody occurs when an adviser or related person directly or indirectly holds client funds or securities or has the ability to gain possession of them.

Fifth Down is deemed to have custody of the assets of each Fund within the meaning of the Advisers Act due to its affiliation with the general partner or Manager of each Fund. The Funds are privately offered limited partnerships and are subject to an annual audit by a Public Company Accounting Oversight Board (“PCAOB”) registered and inspected independent accounting firm in accordance with Rule 206(4)-2 under the Advisers Act. The audited financial statements of each Fund are prepared in accordance with GAAP and distributed to Fund investors within 120 days of the Fund’s fiscal year end as required by the custody rule and Offering Documents. Investors should review these audited financial statements carefully.

Any alternative investment vehicle formed to facilitate a portfolio investment in a Fund for special tax or regulatory reasons is also subject to an annual audit by a PCAOB registered and inspected independent accounting firm in accordance with the Advisers Act. Upon the final liquidation of a Fund, Fifth Down will obtain a final audit and distribute audited financial statements prepared in accordance with GAAP to all investors promptly after completion of the audit.

ITEM 16: INVESTMENT DISCRETION

If you accept discretionary authority to manage securities accounts on behalf of clients, disclose this fact and describe any limitations clients may (or customarily do) place on this authority. Describe the procedures you follow before you assume this authority (e.g., execution of a power of attorney).

As discussed above in *Item 4 – Advisory Business*, Fifth Down provides investment advisory services to each Fund on a discretionary basis. The limitations imposed on its investment discretion are established through negotiations with the investors in each Fund and/or its general partner. These limitations, which are negotiated on a case-by-case basis and will vary from time to time, are incorporated into each Fund’s Offering Documents. In the case of Funds whose investment

periods have passed, Fifth Down's investment discretion will be limited to certain follow-on investments and the liquidation of existing portfolio company position.

ITEM 17: VOTING CLIENT SECURITIES

- A. If you have, or will accept, authority to vote client securities, briefly describe your voting policies and procedures, including those adopted pursuant to SEC Rule 206(4)-6. Describe whether (and, if so, how) your clients can direct your vote in a particular solicitation. Describe how you address conflicts of interest between you and your clients with respect to voting their securities. Describe how clients may obtain information from you about how you voted their securities. Explain to clients that they may obtain a copy of your proxy voting policies and procedures upon request.**

Fifth Down Funds do not generally hold registered securities, and therefore Fifth Down does not vote proxies in the traditional sense. Fifth Down generally does not take a controlling interest in portfolio companies, and therefore generally is not granted any voting authority as it relates to portfolio company Board decisions. Any questions about Fifth Down's voting authority should be directed to ir@fifthdown.vc.

- B. If you do not have authority to vote client securities, disclose this fact. Explain whether clients will receive their proxies or other solicitations directly from their custodian or a transfer agent or from you, and discuss whether (and, if so, how) clients can contact you with questions about a particular solicitation.**

As noted in *Item 17A* above, Fifth Down does not vote proxies.

ITEM 18: FINANCIAL INFORMATION

- A. If you require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance, include a balance sheet for your most recent fiscal year.**

Fifth Down does not require or solicit prepayment of advisory fees six months or more in advance.

- B. If you have discretionary authority or custody of client funds or securities, or you require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance, disclose any financial condition that is reasonably likely to impair your ability to meet contractual commitments to clients.**

Fifth Down has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to the Funds or investors.

- C. If you have been the subject of a bankruptcy petition at any time during the past ten years, disclose this fact, the date the petition was first brought, and the current status.**

Fifth Down has not been the subject of a bankruptcy or insolvency proceeding.

ITEM 19: REQUIREMENTS FOR STATE-REGISTERED ADVISERS

Not applicable.