

PART 2A OF FORM ADV: FIRM BROCHURE

**L3 CAPITAL ADVISORS LLC
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March 30, 2020

This brochure provides information about the qualifications and business practices of L3 Capital Advisors LLC (“L3 Capital”). If you have any questions about the contents of this brochure, please contact us at (929) 203-0544. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Additional information about L3 Capital is also available on the SEC’s website at www.adviserinfo.sec.gov.

L3 Capital is registered as an investment adviser with the SEC under the U.S. Investment Advisers Act of 1940, as amended (the “Advisers Act”). SEC registration does not imply a certain level of skill or training.

ITEM 2 – MATERIAL CHANGES

Except as described below, there have been no material changes made to the Brochure since L3 Capital's filing of its Brochure on March 30, 2019, however, L3 Capital has made some routine updates and clarifying changes to the Brochure, including those related to changes to the business of L3 Capital.

1. As of September 5, 2019, Richard Cardinale, the managing member of L3 Capital Advisors LLC, is no longer a registered representative with a FINRA registered broker-dealer.

2. L3 Capital Advisors LLC has direct investment authority over Advanced Technology Select Fund VIII LLC, a Delaware limited liability company, L3 Capital Income Fund LLC, a Delaware limited liability company and L3 Capital Small Cap Gold Fund LLC, a Delaware limited liability company.

In the future, when L3 Capital amends its Brochure for its annual update (or otherwise), and the amended version contains material changes from the last update, it will identify and discuss those changes either on this page or as a separate document accompanying the Brochure. For documentation purposes, L3 Capital will provide the date of the last annual update of its Brochure.

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ITEM 4 – ADVISORY BUSINESS

L3 Capital Advisors LLC, a Delaware limited liability company (“L3 Capital”) was founded in 2015 by Richard A. Cardinale to provide certain discretionary and non-discretionary investment advisory services to the Private Investment Funds (as defined below).

Richard A. Cardinale is the sole owner and managing member of L3 Capital. As of December 31, 2019, L3 Capital manages regulatory assets under management of approximately \$174,555,145, all on a non-discretionary basis except for \$12,201,506 related to Private Investment Fund X (as defined below).

L3 Capital is the managing member of and provides investment advisory services to L3 Cubed LLC, a Delaware limited liability company, launched in 2013 (“Private Investment Fund I”); Advanced Technology Select Fund LLC, a Delaware limited liability company, launched in 2015 (“Private Investment Fund II”); and Advanced Technology Select Fund II LLC, a Delaware limited liability company, launched in 2015 (“Private Investment Fund III”), Advanced Technology Select Fund III LLC, a Delaware limited liability company, launched in 2017 (“Private Investment Fund IV”), Advanced Technology Select Fund IV LLC, a Delaware limited liability company, launched in 2017 (“Private Investment Fund V”), Advanced Technology Select Fund V LLC, a Delaware limited liability company, launched in 2018 (“Private Investment Fund VI”), Advanced Technology Select Fund VI LLC, a Delaware limited liability company, launched in 2018 (“Private Investment Fund VII”), Advanced Technology Select Fund VII LLC, a Delaware limited liability company, launched in 2019 (“Private Investment Fund VIII”), Advanced Technology Select Fund VIII LLC, a Delaware limited liability company, launched in 2019 (“Private Investment Fund IX”), L3 Capital Income Fund LLC, a Delaware limited liability company, launched in 2019 (“Private Investment Fund X”) and L3 Capital Small Cap Gold Fund LLC, a Delaware limited liability company, launched in 2019 (“Private Investment Fund XI”). L3 Capital is also the investment manager and provides non-discretionary investment advice to Mogo Industries LLC, a Delaware limited liability company, launched in 2013 (“Private Investment Fund XII”) and Advanced Technology Fund LLC, a Delaware limited liability company, launched in 2014 (“Private Investment Fund XIII” and together with Private Investment Fund I, Private Investment Fund II, Private Investment Fund III, Private Investment Fund IV, Private Investment Fund V, Private Investment Fund VI, Private Investment Fund VII, Private Investment Fund VIII, Private Investment Fund IX, Private Investment Fund X, Private Investment Fund XI, Private Investment Fund XII (the “Private Investment Funds”).

L3 Capital invests the net proceeds raised from the sale of membership interests (the “Interests”) in the Private Investment Funds (excluding Private Investment Fund X) in equity securities of private companies located in the United States. L3 Capital concentrates largely on certain sectors, including the global technology, software and services sectors, but it has the option to invest in any company or companies that L3 Capital shall determine, in its sole discretion (all such securities are collectively referred to as “Issuer Securities” and the issuers thereof are collectively referred to as the “Issuers”). Such purchases may be accomplished through direct purchases from the holders thereof, through investments in various funds, limited liability companies, limited partnerships or other entities, or the Issuers, if possible (collectively, “Funds,” and collectively with the Issuer Securities, the “Portfolio Securities”), and/or any other means that L3 Capital, in its sole discretion, so determines, including, but not limited to, through the entry of a forward contract or economic interest agreement with the

holder(s) of any Portfolio Securities, without regard to excessive concentration or balance. L3 Capital invests the net proceeds raised from the sale of Interests in the Private Investment Fund X in the alternative financial services industry by investing in the debt and/or equity of firms involved in factoring, bridge financing, merchant cash advance, unsecured consumer installment lending, payday loans, debt settlement services, and such other income producing opportunities that arise from the alternative financial services industry or such other industries where L3 Capital believes Private Investment Fund X will achieve its investment objectives or providing annual returns to investors. Investments by the Private Investment Fund X are initially expected to primarily consist of short-term loan obligations and/or venture agreements that will be for a term of 12 months or less, provide for the ability to be rolled over on an annual basis, and depending on the terms of said loan or financial transaction, may not be secured or guaranteed. Interest rates on these short-term obligations will vary based on a prospective investment and are expected to be at rates which would permit the Fund to pay Investors targeted annualized net returns as described in the private placement memorandum provided to Investors or prospective Investors of such fund prior to the time of an investment.

L3 Capital does not tailor its advisory services to the individual needs of investors in the Private Investment Funds (“Investors”). The terms and investment objectives and strategies applicable to the Private Investment Funds are set forth in a private placement memorandum provided to Investors or prospective Investors prior to the time of an investment.

L3 Capital has sole discretion over all decisions regarding each Private Investment Fund, such Private Investment Fund’s Interests and the Portfolio Securities or investments made (in the case of Private Investment Fund X) including, without limitation, when to buy, sell, and the price at which, Portfolio Securities or investments (in the case of Private Investment Fund X) will be purchased and/or sold, and whether to have membership interests redeemed by the Company and/or sold to third parties, and, in such case, at what redemption and/or sale prices. It currently does not have discretion to invest in any Portfolio Securities without the approval of Investors since L3 Capital currently conduct closings of the purchase and sale of Interests of a particular Private Investment Fund concurrently with the purchases of Portfolio Securities; though L3 Capital may, in its sole discretion, elect to conduct closings of a particular Private Investment Fund at any time in which cleared funds and accepted subscriptions have been received from prospective Investors. In addition, L3 Capital currently undertakes to invest all Portfolio Securities for a particular Issuer purchased on a particular date in a separate Series or sub-Series of Interests of a particular Private Investment Fund. With respect to Private Investment Fund X, L3 Capital intends to periodically determine an appropriate range of asset allocation by such fund among its investments. Private Investment Fund X may vary its investment focus and asset allocation as opportunities arise to invest in various investments and as expectations concerning the performance and risk of different investments change over time. As a result, L3 Capital may decide to reallocate assets of Private Investment Fund X that are made into a particular investment and may increase, reduce or end altogether a particular investment in its sole discretion.

See the discussion in Item 8, Methods of Analysis, Investment Strategies and Risk of Loss. The Private Investment Funds are open only to certain financially sophisticated and high net-worth individuals and entities, as more fully discussed in Item 7, Types of Clients.

ITEM 5 – FEES AND COMPENSATION

The Private Investment Funds offer interests only to certain qualified investors and admission to these Private Investment Funds is not open to the general public. Investors in each Private Investment Fund generally must be “accredited investors” under Rule 501 of Regulation D of the Securities Act of 1933, as amended, and either “qualified clients” as such term is defined in Rule 205-3 promulgated under the Investment Advisers Act of 1940, as amended (the “Advisers Act”) or “qualified purchasers” as such term is defined in Section 2(a)(51) of the Investment Company Act of 1940, as amended (the “Investment Company Act”). Investors and prospective Investors should refer to the confidential private offering memorandum for the appropriate Private Investment Funds for a detailed description of the applicable investor qualifications and fees.

L3 Capital receives a management fee for the Private Investment Funds it acts as a manager equal to two percent (2%) of the gross proceeds received from Investors, including additions to capital over the life of a Private Investment Fund (the “Management Fee”). The Management Fee is payable in advance upon closing of the sale of Interests in a Private Investment Fund to the Investors. L3 Capital does not receive any Management Fee for any services provided to Private Investment Fund XII and Private Investment Fund XIII, however, the Managing Member (as defined herein) receives such fees as part of his ownership interest in each of the respective managers of such entities. In addition, L3 Capital does not charge any management fee to Private Investment Fund X. Rather, L3 Capital provides management and advisory services to each investment made by such fund and shall receive an annual management fee and one time acquisition fee from each such investment, which is not shared with Private Investment Fund X or its members. An officer, director, manager or member of a potential investment made by Private Investment Fund X may receive fees for services and/or it may be a paid advisor of or receive compensation through its relationships with such Investment which will not be shared with Private Investment Fund X or its Members. Affiliates of L3 Capital may, directly or indirectly, be an investor in and/or an officer, director, manager or member of any investment made by Private Investment Fund X and may be entitled to share in any fees and/or compensation which such officer, director, manager or member of such investment may be entitled to receive, which will not be shared with Private Investment Fund X and its Members.

L3 Capital is also eligible to receive a performance-based fee (the “Performance Fee”) from the Investors in Private Investment Fund I, Private Investment Fund II and Private Investment Fund III, Private Investment Fund IV, Private Investment Fund V, Private Investment Fund VI, Private Investment Fund VII and Private Investment Fund VIII, and Private Investment Fund IX, equal to 10% of profits (or equal to 20% of profits in the case of Private Investment Fund XI), subject to the general requirement that an amount in excess of 100% of the Investor’s capital contributions be received prior to any Performance Fee being paid. The Performance Fee, if any, will be determined as of the time any distributions are made to the Investors. The calculation of the Performance Fee is complex, and Investors and prospective Investors should carefully review the more detailed terms of the Performance Fee set forth in the relevant Private Investment Fund’s offering and governing documents. L3 Capital does not receive any Performance Fee for any services provided to Private Investment Fund X, Private Investment Fund XII and Private Investment Fund XIII, however, the Managing Member (as defined herein) receives such fees as part of his ownership interest in each of the respective managers of such entities, in the case of Private Investment Fund XII and XIII or as an officer, director, manager or member of any

investment made, in the case of Private Investment Fund X.

The portions of the Management Fees and Performance Fees borne by Investors are deducted from Investor assets in the respective Private Investment Fund. Investors do not have the ability to choose to be billed directly for fees incurred.

Management Fees and Performance Fees are not negotiable but may be waived or modified in the sole discretion of L3 Capital, in the case of Private Investment Fund I, Private Investment Fund II, Private Investment Fund III, Private Investment Fund IV, Private Investment Fund V, Private Investment Fund VI, Private Investment Fund VII and Private Investment Fund VIII and the applicable investment manager of Private Investment Fund IX, Private Investment Fund X and Private Investment Fund XI.

L3 Capital is also entitled to the reimbursement of various expenses paid on behalf of each Private Investment Fund (other than Private Investment Fund X), which include, but are not limited to, investment expenses (e.g. brokerage commissions, clearing and settlement expenses, custodial fees), legal expenses, internal and external accounting, audit and tax preparation expenses, costs of printing and mailing reports and notices to Investors, costs of third party administrators, consultants, and extraordinary expenses, if any ("Administrative Fees"). Expenses of between \$50,000-\$75,000 per year are anticipated per Series (including all sub-Series) in each Private Investment Fund, and L3 Capital typically creates a reserve per Series (including any sub-Series) sufficient to cover expenses for a period of two (2) years – three (3) years to cover Administrative Fees. If there is more than one purchase of Portfolio Securities (as defined herein) per Issuer (as defined herein) in a particular Private Investment Fund which results in the creation of a sub-Series, all such sub-Series of such Private Investment Fund associated with a single Issuer will have a combined maximum expense of between \$50,000 and \$75,000 per year per Series. In the event a liquidity event does not occur within 24-36 months and a Private Investment Fund does not use all of the reserves set aside to cover the Administrative Fees during this two year period, L3 Capital intends to use any excess reserves to cover any additional Administrative Fees which a Private Investment Fund may occur until a liquidity event takes place. In the event a liquidity event occurs for a particular Series (or any sub-Series) of a Private Investment Fund and such Private Investment Fund has not used all of the reserves previously set aside to cover Administrative Fees, such reserves will be returned to the Investors of a Series in a Private Investment Fund on a pro rata basis upon such liquidity event. Amounts reserved for Administrative Fees will not be available for the purchase of Portfolio Securities. Each Private Investment Fund is obligated to pay out of the gross proceeds of any offering of Interests (each, an "Offering") the fees and expenses of the Offering, including initial legal expenses (excluding any fees payable for the registration or qualification of the Interests being sold thereunder). Such fees and expenses will be paid out of the gross proceeds of any amounts raised and accordingly, such funds will not be available to purchase Portfolio Securities. A Private Investment Fund may incur additional legal costs in the future, including any costs associated with the acquisition of Portfolio Securities by a Series (or Sub-Series) of a Private Investment Fund. There can be no assurance that a Private Investment Fund will be able to earn sufficient income to offset these charges.

Private Investment Fund X is responsible for out of pocket expenses incurred in connection with locating, evaluating and consummating investments and potential investments (whether or not the acquisition is consummated), including legal, accounting and other professional or third party costs,

litigation expenses, and other transaction costs, custody fees, compensation of advisors consultants and finders, travel costs, and appraisal costs. Private Investment Fund X will also bear all commitment fees and any transfer taxes, registration fees and other expenses in connection with acquisitions and dispositions of investments, and all expenses relating to the ownership and operation of investments, including taxes, interest, and expenses. Any such expense incurred for the benefit of one or more accounts in addition to Private Investment Fund X will be allocated pro rata in proportion to the relative amounts invested or in such other manner as L3 Capital determines to be fair and equitable. Private Investment Fund X will bear all expenses associated with the organization of such entity and offering of its Interests (or reimburse L3 Capital for any such costs incurred on behalf of such entity), including, but not limited to, reimbursement of out-of-pocket costs incurred by or on behalf of L3 Capital or its affiliates, in connection with the marketing, formation and organization of L3 Capital and such entity, including legal, accounting, travel, meeting, printing and other fees and expenses incident thereto, subject to a cap of \$250,000.

Certain Private Investment Funds have previously paid placement, solicitation or other similar types of third party marketing fees due in respect of any Investor solicited by a placement agent. Such placement fee shall be treated as an expense of the Fund and allocated to such solicited Investor.

In certain cases where multiple investment series or classes are created within a Private Investment Fund, expenses of the Fund generally shall be shared by all of the Investors in each investment series or class, pro rata in accordance with their interests in the Fund; provided, that L3 Capital can specifically allocate expenses to any investment series or class, or in such other manner as L3 Capital considers fair and reasonable.

Investors and prospective Investors should refer to the confidential private offering memorandum for the appropriate Private Investment Fund for a detailed description of the applicable fees payable by such Private Investment Fund.

L3 Capital also provides certain non-investment advisory services to certain businesses that are related to the overall strategic development of a company's business. The Managing Member may have direct or indirect ownership interests in the businesses in which L3 Capital provides these services. These businesses pay L3 Capital a fee per month for these services rendered.

Additionally, the Private Investment Funds have undertaken to indemnify their managing members, general partners, investment managers, advisory committee members and certain third-party service providers (and certain related persons of each of the foregoing) for losses and expenses sustained by such persons, provided that such losses did not arise from such persons' violation of applicable standards of conduct (for example, did not arise from such persons' gross negligence or fraud). Additional detail on each Private Investment Fund's indemnification obligations is included in its offering and governing documents.

IT IS CRITICAL THAT INVESTORS REFER TO THE RELEVANT OFFERING AND PRIVATE INVESTMENT FUND GOVERNING DOCUMENTS FOR A COMPLETE UNDERSTANDING OF APPLICABLE FEES AND EXPENSES. THE INFORMATION CONTAINED HEREIN IS A SUMMARY ONLY AND IS QUALIFIED IN ITS ENTIRETY BY SUCH DOCUMENTS.

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

As described in Item 5 above and in the relevant Private Investment Fund's offering and governing documents, L3 Capital is eligible to receive performance-based compensation from the Private Investment Funds. It should be noted that such a compensation arrangement may create an incentive for L3 Capital to make investments that are riskier or more speculative than would be the case if such arrangements were not in effect.

L3 Capital presently provides investment advisory services to the Private Investment Funds and each is subject to a performance-based fee except as described in Item 5 above. As such, the conflict of interest related to managing accounts that charge performance-based fees alongside accounts that do not charge performance-based fees does not currently apply to L3 Capital.

L3 Capital recognizes that it is a fiduciary and as such must act in the best interests of its clients. Further, L3 Capital recognizes that it must treat all clients fairly and must refrain from favoring one client's interests over another's. L3 Capital regularly assesses the allocation of its resources, including investment personnel, among its clients to ensure adherence to its fiduciary duties.

ITEM 7 – TYPES OF CLIENTS

L3 Capital provides investment advisory services to pooled investment vehicles operating as private investment funds. L3 Capital also provides certain non-investment advisory services as described in Item 5 above. Investors must meet certain eligibility requirements outlined in each Fund's offering memorandum and/or governing documents. The offering memorandum and/or governing documents for each Fund set forth the required minimum amounts for investment in such Fund. Minimum investment amounts may be (and have been) waived at the sole discretion of L3 Capital. The Funds offer interests only to certain qualified investors and admission to those Private Investment Funds is not open to the general public. Investors in the Funds must meet the requirements set forth in Item 5 above.

ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES, AND RISK OF LOSS

The investment strategies, methods of analysis and material risks applicable to an investment in the Private Investment Funds are set forth in detail in a confidential private placement memorandum or similar document provided to prospective Investors. A brief summary is provided below.

AN INVESTMENT IN A PRIVATE INVESTMENT FUND MAY BE DEEMED SPECULATIVE AND IS NOT INTENDED AS A COMPLETE INVESTMENT PROGRAM. SUCH INVESTMENTS ARE APPROPRIATE FOR ONLY EXPERIENCED AND SOPHISTICATED PERSONS WHO MEET CERTAIN ELIGIBILITY CRITERIA, ARE ABLE TO BEAR THE RISK OF LOSS OF SOME OR ALL OF AN INVESTMENT, AND HAVE A LIMITED NEED FOR LIQUIDITY.

Each Private Investment Fund (except Private Investment Fund X) is a special purpose investment vehicle organized to purchase restricted securities issued by Issuers. Such purchases may be accomplished through direct purchases from the holders thereof, through investments in the purchases of various funds, limited liability companies, limited partnerships or other entities, or the Issuers, if possible (collectively, "Funds," and collectively with the Issuer Securities, the "Portfolio Securities"), and/or any other means L3 Capital, in its sole discretion, so determines, including, but not limited to, through the entry of a forward contract or an economic interest agreement with the holder(s) of any Portfolio Securities, without regard to excessive concentration or balance, and may, in its sole discretion, pursue opportunities for liquidity in the Portfolio Securities by any method available, including but not limited to, redemption or sale of the Interests of a particular Private Investment Fund, individually or as a group, a sale of the entire Private Investment Fund or by any other methodology (the "Investment Objective"). Each Private Investment Fund may invest the net proceeds in any Offering of Interests in Portfolio Securities directly or through the use of financial intermediaries (including other broker dealers) and pay fees and commissions on a case-by-case basis, in L3 Capital's discretion. The fees payable to any financial intermediary may be built into the purchase price of any Portfolio Securities to be purchased by a Private Investment Fund.

The membership interests of a particular Private Investment Fund (except Private Investment Fund X) are issued in one or more series (each, a "Series") or sub-Series. Each Private Investment Fund is organized as a series limited liability company, such that a prospective Investor may purchase membership interests in separate Series or sub-Series created by L3 Capital from time-to-time that are established to hold separate and distinct investments. Each Series shall invest in Portfolio Securities of one Issuer and shall not hold any other securities of a different Issuer. In addition, L3 Capital may, from time-to-time, establish additional Series for the purpose of making separate and distinct investments in specific companies identified by L3 Capital or to purchase securities in such companies from secondary sources, or to invest in interests of investment funds whose portfolios are comprised of companies consistent with a Private Investment Fund's Investment Objective, each of which Series will each remain segregated from one another. The books and records of each Series (and the purchases and sales of Portfolio Securities and related gains and/or losses that are reflected therein) will be maintained separately for each Series of Interests. In the event that a Private

Investment Fund purchases Portfolio Securities in same Issuer represented by a particular Series at different prices, or in a manner inconsistent in any way whatsoever with a prior purchase, a Private Investment Fund may create additional "sub-Series" which will be treated as unique Series for the purposes of profits, losses, tax treatment, and all other legal benefits afforded to a Series under Delaware law.

L3 Capital invests the net proceeds raised from the sale of Interests in the Private Investment Fund X in the alternative financial services industry by investing in the debt and/or equity of firms involved in factoring, bridge financing, merchant cash advance, unsecured consumer installment lending, payday loans, debt settlement services, and such other income producing opportunities that arise from the alternative financial services industry or such other industries where L3 Capital believes Private Investment Fund X will achieve its investment objectives or providing annual returns to investors. Investments by the Private Investment Fund X are initially expected to primarily consist of short-term loan obligations and/or venture agreements that will be for a term of 12 months or less, provide for the ability to be rolled over on an annual basis, and depending on the terms of said loan or financial transaction, may not be secured or guaranteed. Interest rates on these short-term obligations will vary based on a prospective investment and are expected to be at rates which would permit the Fund to pay Investors targeted annualized net returns as described in the private placement memorandum provided to Investors or prospective Investors of such fund prior to the time of an investment.

L3 Capital has sole discretion over all decisions regarding each Private Investment Fund, such as Private Investment Fund's Interests and the Portfolio Securities (or investments in the case of Private Investment Fund X) including, without limitation, when to buy, sell and the price at which Portfolio Securities will be purchased and/or sold, and whether to have membership interests redeemed by the Company and/or sold to third parties, and, in such case, at what redemption and/or sale prices. It currently does not have discretion to invest in any Portfolio Securities without the approval of Investors since L3 Capital currently conducts closings of the purchase and sale of Interests of a particular Private Investment Fund concurrently with the purchases of Portfolio Securities by such Private Investment Fund; though L3 Capital may, in its sole discretion, elect to conduct closings of a particular Private Investment Fund at any time in which cleared funds and accepted subscriptions have been received from prospective Investors. In addition, L3 Capital currently undertakes to invest in all Portfolio Securities for a particular Issuer purchased on a particular date by way of a separate Series or sub-Series of membership interests of a particular Private Investment Fund. L3 Capital currently intends to disburse any Portfolio Securities in a particular Series in a Private Investment Fund to Investors of such Series in the event of an initial public offering by an Issuer after the expiration of any applicable restriction period. With respect to Private Investment Fund X, L3 Capital intends to periodically determine an appropriate range of asset allocation by such fund among its investments. Private Investment Fund X may vary its investment focus and asset allocation as opportunities arise to invest in various investments and as expectations concerning the performance and risk of different investments change over time. As a result, L3 Capital may decide to reallocate assets of Private Investment Fund X that are made into a particular investment and may increase, reduce or end altogether a particular investment in its sole discretion.

General Risks associated with the Private Investment Funds (except Private Investment Fund X)

NO ASSURANCE OF PROFIT, CASH DISTRIBUTIONS OR APPRECIATION. There can be no assurance that an investment in an Issuer and/or a Fund, once made by a Private Investment Fund, will be profitable or will have economic value. There can be no assurance that a Private Investment Fund's investments will be profitable and there is a substantial risk that a Private Investment Fund's losses and expenses will exceed its income and gains. Consequently, there can be no assurance that a Private Investment Fund's investments will result in distributions to the Investors, or that a Private Investment Fund will be able to liquidate its investments on favorable terms.

THERE CAN BE NO ASSURANCE THAT A PRIVATE INVESTMENT FUND WILL BE ABLE TO PURCHASE AND/OR SELL PORTFOLIO SECURITIES OR MAKE INVESTMENTS AT ADVANTAGEOUS PRICES, IF AT ALL, OR THAT IT WILL ACHIEVE ITS INVESTMENT OBJECTIVE. INVESTORS MAY LOSE THEIR ENTIRE INVESTMENT. There can be no assurance that a Private Investment Fund will be successful in purchasing and/or selling Portfolio Securities at advantageous prices, if at all, or that any investment by a Private Investment Fund in Portfolio Securities will prove to be profitable. Each Private Investment Fund is a newly formed entity with no performance record. Investors should be aware that there is a risk that a Private Investment Fund may not be able to locate and/or purchase Portfolio Securities at prices that are advantageous or at any price and they may lose their entire investment in a Private Investment Fund. If a Private Investment Fund does not make any investment in Portfolio Securities, a Private Investment Fund will dissolve in accordance with its applicable Operating Agreement. Moreover, even if a Private Investment Fund is able to purchase Portfolio Securities, there can be no assurances it will be able to directly and/or indirectly sell such securities at prices above that paid by a Private Investment Fund, if at all. Accordingly, membership interests should represent only a small portion of an Investor's overall investment portfolio and net worth as the purchase of Member Interests is a highly risky investment and Investor could lose their entire investment.

IF A PRIVATE INVESTMENT FUND ENTERS INTO ANY FORWARD CONTRACT(S) OR ECONOMIC INTEREST AGREEMENT(S) FOR THE PURCHASE OF PORTFOLIO SECURITIES, IT MAY EXPOSE US TO UNEXPECTED RISKS AND POTENTIAL LOSSES. The purchase of any Portfolio Securities may be accomplished by means of a contract with a prospective seller for the purchase of any such Portfolio Securities at a future date, subject to the satisfaction of certain conditions, otherwise known as a "Forward Contract" or an "Economic Interest Agreement". The closing on any forward contract or economic interest agreement which a Private Investment Fund will enter into will typically require the satisfaction and removal of any transfer restrictions which any Portfolio Securities may be subject at the time of entering into the forward contract or economic interest agreement. Any forward contract or economic interest agreement a Private Investment Fund may enter into will be individually negotiated and non-standardized. Until such time as any Portfolio Securities subject to a forward contract or economic interest agreement are transferred, a Private Investment Fund is subject to default risk and, if an event of default occurs, we may have to incur additional costs to enforce the contract. These factors could subject us to increased costs and/or loss of an investment.

BECAUSE NO PUBLIC MARKET EXISTS FOR THE INTERESTS OF EACH PRIVATE INVESTMENT FUND AND L3 CAPITAL HAS NO INTENTION OF SEEKING TO REGISTER SUCH INTERESTS OF ANY PRIVATE INVESTMENT FUND FOR RESALE OR APPLY FOR A LISTING OF THE INTERESTS ON A TRADING MEDIUM, IT WILL BE EXTREMELY DIFFICULT FOR INVESTORS TO RESELL THEIR INTERESTS OF ANY PRIVATE INVESTMENT FUND. Because there is no public market for the Interests of any Private Investment Fund and no plan or intention for there to ever be one, the resale of the Interests of any Private Investment Fund is highly restricted and extremely limited and is further subject to the additional limitations and is governed by the terms of a Private Investment Fund's Operating Agreement, which must be carefully read and fully understood before purchasing Interests. No Investor should purchase Interests of any Private Investment Fund if such Investor cannot afford to hold the Interests indefinitely. Furthermore, if an Investor who purchases Interests of any Private Investment Fund should have a change in his or her liquidity requirements and be forced to have to seek to sell the Interests, it will be very difficult for such Investor to sell the Interests of any Private Investment Fund promptly, if at all, and the likely sale price one could expect to receive if a sale could be effectuated may be at a substantial discount to the purchase price paid for such Interests.

CONCENTRATION OF INVESTMENT. Each Private Investment Fund was formed for the purpose of purchasing Portfolio Securities or making investments without regard to excessive concentration, balance or other limitations normally associated with portfolio management practices. A Private Investment Fund may have all or a majority of its proceeds invested directly and/or indirectly in one or a limited number of Portfolio Securities or individualized investment(s). Given the potential concentration of a Private Investment Fund's investments, and the potential concentration of any Private Investment Fund's investments, the value of an investment in a Private Investment Fund may be subject to greater volatility and may be more susceptible to any single economic, political or regulatory occurrence than would be the case if a Private Investment Fund's investments were more diversified.

NO CONTROL OVER THE ISSUERS, ISSUER SECURITIES AND/OR ANY FUNDS OR THEIR RESPECTIVE CURRENT OR FUTURE VALUATIONS. A Private Investment Fund will be an owner of restricted securities of the Issuers and/or Funds, and will have no control over any Issuers and/or any Funds. Further, the value of a Private Investment Fund's investment in any Issuer and/or Funds, will be dependent upon the performance of the Issuers. A Private Investment Fund does not receive any disclosure from the Issuers and it does not receive, nor does it have access to, any public or non-public, verifiable information that would allow it to justify the current or future valuations of any Portfolio Securities it purchases. A Private Investment Fund will not have any control over the management of any Issuer or any Fund, and the success of any investments it makes in Portfolio Securities depends, in large part, on the ability and success of the management of any Issuer and/or any Fund, in addition to economic and market factors. The Issuer's services or products that are not yet developed or ready to be marketed or that have no established market, may be operating at a loss or have significant fluctuations in operating results, may be engaged in a rapidly changing business, may require substantial additional capital to support their operations, to finance expansion or to maintain their competitive position, or otherwise may have a weak financial condition. There is a limited, negotiated market for Portfolio Securities. Accordingly, valuations

may fluctuate considerably and the valuations of the Portfolio Securities that are negotiated by a Private Investment Fund may bear limited or no relationship to future valuations of such Portfolio Securities or the specific Issuer in any market that may develop for the Portfolio Securities, whether private or public.

THE COMPETITION FOR INVESTMENT IN ISSUERS IS INTENSE. A Private Investment Fund is aware that there are many other entities and persons that have invested and are seeking to raise capital to invest in Portfolio Securities, many of which have substantially more funds than a Private Investment Fund may have. Such competition may limit a Private Investment Fund's ability to acquire Issuer Securities at advantageous prices, if at all, which may, in turn, result in a reduction on the return on Investors' investments or a complete loss of the Investors' investments.

LIMITED LIQUIDITY OF PORTFOLIO SECURITIES. In the event that L3 Capital determines (in its sole discretion) to make distributions of Portfolio Securities (which such distribution shall be subject to and limited by federal and state securities laws), there is no current market through which the Portfolio Securities may be sold, and even if there were such a market, the transfer and/or sale of Portfolio Securities would be subject to significant restrictions. In addition, the Portfolio Securities will not be registered under Federal securities laws or qualified under any state securities law and are being sold in reliance upon exemptions under such laws. Unless the Portfolio Securities are registered for resale with the SEC and any required state authorities, or an appropriate exemption from registration is available, members who receive Portfolio Securities in any distribution by a Private Investment Fund may be unable to liquidate such securities, even though his or her personal financial condition may dictate such liquidation. Moreover, the resale of any Portfolio Securities following a distribution of Portfolio Securities will be subject to Rule 144 of the Securities Act and Members intending to sell Portfolio Securities distributed to them by a Private Investment Fund may be required to aggregate their sales of Portfolio Securities with sales made by a Private Investment Fund and other Members for some period of time following the distribution of such securities by a Private Investment Fund. Therefore, prospective Investors who require liquidity in their investments should not invest in the Member Interests.

NO ASSURANCE OF AN INITIAL PUBLIC OFFERING OR OTHER LIQUIDITY EVENT IN ANY PORTFOLIO SECURITIES. Although investments in Portfolio Securities may offer the opportunity for gains, such investments involve a high degree of business and financial risk that can result in substantial losses. L3 Capital currently intends to disburse any Portfolio Securities in a particular Series to Members of such Series in the event of an initial public offering by an Issuer after the expiration of any applicable restriction period. However, no public market exists for any Portfolio Securities and no assurance can be given that an initial public offering or other liquidity event will be consummated by the Issuer in the future. If such an event does not occur, Investors may lose their entire investment.

RELIANCE ON L3 CAPITAL; MEMBERS HAVE NO VOTING OR DISPOSITIVE POWER OVER THE ISSUER SECURITIES. All decisions regarding management of a Private Investment Fund including, but not limited to, the purchase price of Portfolio Securities and which to sell and at what price the Portfolio Securities will be sold, will be made by and in the sole discretion of L3 Capital, and the Members will have no right to take part in the management of a

Private Investment Fund. All rights, preferences, privileges and restrictions with respect to the Portfolio Securities, including registration rights and other decisions that holders of Portfolio Securities may have, will belong to a Private Investment Fund and will be the sole responsibility of and made by L3 Capital, in its sole discretion, and the Members will have no ability to make any decisions with respect thereto. No Member will have the right to either vote or dispose of any of the Portfolio Securities owned by a Private Investment Fund. The determination to make distributions, whether in cash, in kind, or a combination thereof, will be made at the sole discretion of L3 Capital, even if the Portfolio Securities have been registered for resale under the Securities Act. In addition, no Member will have the right to withdraw all or any amount of its investment in a Private Investment Fund (either in cash or in the form of Portfolio Securities) at any time without the prior consent of L3 Capital, which consent may be withheld for any reason or no reason. Accordingly, no party should make any investment in a Private Investment Fund unless such party is willing to entrust all aspects of a Private Investment Fund's management to L3 Capital.

THE OPERATING AGREEMENT OF EACH PRIVATE INVESTMENT FUND CONTAINS RESTRICTIONS ON THE MEMBERS' RIGHTS TO WITHDRAW THEIR CAPITAL. The Operating Agreement of each Private Investment Fund contains restrictions on the Members' rights to withdraw capital from their capital accounts. Members will not be permitted to withdraw capital without the prior consent of L3 Capital, which consent may be withheld for any reason or no reason in L3 Capital's sole discretion. Therefore, prospective Investors who require liquidity in their investments should not invest in the Interests of a particular Private Investment Fund.

General Risks associated with Private Investment Fund X

Reliance on the Manager.

All decisions regarding management of Private Investment Fund X including, but not limited to, any investment made by Private Investment Fund X, will be made by and in the sole discretion of the L3 Capital. All rights, preferences, privileges and restrictions with respect to an Investment, will belong to Private Investment Fund X and will be the sole responsibility of and made by L3 Capital in its sole discretion and the Members will have no ability to make any decisions with respect thereto. The determination to make distributions, whether in cash, in kind, or a combination thereof, will be made at the sole discretion of L3 Capital. Accordingly, no party should make any investment in the Fund unless such party is willing to entrust all aspects of Private Investment Fund X's management to L3 Capital.

Speculative Nature of Investment.

Private Investment Fund X's investment strategy is speculative and entails substantial risks. Prospective investors should carefully consider, among other factors, the risks described below, each of which could have an adverse effect on the value of their Interests. As a result of these risk factors, as well as other risks inherent in any investment or set forth elsewhere in the offering materials, there can be no assurance that Private Investment Fund X will meet its investment objectives. The Fund's estimates and projections of anticipated rates of return are based on, among other considerations, assumptions regarding the performance of Private Investment Fund X, all of which

are subject to significant uncertainty. In addition, events or conditions that have not been anticipated may occur and may have a significant effect on the actual rate of return received. Private Investment Fund X's returns may be unpredictable and, accordingly, Private Investment Fund X's investment program is not suitable as the sole investment vehicle for an investor. An investor should only invest in Private Investment Fund X as part of an overall investment strategy and only if the investor is able to withstand a total loss of his, her or its investment. There can be no assurance that the Fund's investment objectives will be achieved, and investors must be prepared to bear capital losses which might result from Private Investment Fund X's assets.

Risk of Investments

While investments may offer the opportunity for significant gains, such investments also involve a high degree of business and financial risk and can result in substantial losses. Among these risks are the general risks associated with investing in companies at an early stage of development or with little or no operating history, or with substantial variations in operating results from period to period, and companies with the need for substantial additional capital to support expansion or to achieve or maintain a competitive position. Such companies may face intense competition, including competition from companies with greater financial resources, more extensive development, manufacturing, marketing, and service capabilities, and a larger number of qualified managerial and technical personnel. Investments in companies at an early stage of development also risk dilution through subsequent financing rounds and other actions such as the granting of stock, options and warrants to management or other parties.

No Assurance of Profit or Distributions

There is no assurance that the investments of Private Investment Fund X will be profitable or that any distribution will be made to Investors. Any return on investment to the Investors will depend upon successful investments being made by Private Investment Fund X. The marketability, if any, and value of any such investment will depend upon many factors beyond the control of Private Investment Fund X. The expenses of Private Investment Fund X may exceed its income, and the Investors could lose the entire amount of their contributed capital.

Investments held by Private Investment Fund X May Not be Diversified Across Markets and Product Types

Private Investment Fund X is targeting investments in companies that are non-bank providers of alternative financial services. Lack of diversification across the portfolio may increase Private Investment Fund X's exposure to adverse market conditions which could have an adverse effect of financial results of the Fund.

Unidentified Portfolio Assets

An investment in Private Investment Fund X represents an investment in the ability of L3 Capital to select appropriate investments on behalf of Private Investment Fund X rather than an investment in a specific portfolio of assets. Investors will not have the opportunity to evaluate personally the relevant economic, financial and other information that will be utilized by L3 Capital in their

selection and evaluation of any particular investment. There can be no assurance that Private Investment Fund X will be able to identify and complete investments or that the investments will be successful.

Limited Number of Investments

Private Investment Fund X may participate in a limited number of investments and, as a consequence, the aggregate return of Private Investment Fund X may be materially and adversely affected by the unfavorable performance of a single investment. A Member has no assurance as to the degree of diversification in Private Investment Fund X's investments, either by geographic region or asset type. Private Investment Fund X may make short-term investments in some transactions, and, in such cases, there will be the risk that Private Investment Fund X will be unable to get out of such investment, which could lead to increased risk as a result of an unintended long-term investment and reduced diversification. This may have an adverse impact on the ability of the Fund to achieve its investment objectives.

No Control over Current or Future Valuations of an Investment.

The value of Private Investment Fund X's Investment(s) will be dependent upon the performance of the Investment. The success of any investment Private Investment Fund X makes depends, in large part, on the ability and success of the management of any Investment, in addition to economic and market factors as well as a stable regulatory environment. A particular Investment's services or products that are not yet developed or ready to be marketed or that have no established market, may have fluctuations in operating results, may be engaged in a rapidly changing business, may require substantial additional capital to support their operations, to finance expansion or to maintain their competitive position. Accordingly, valuations may fluctuate considerably and the valuations of the Investment that are negotiated by Private Investment Fund X may bear limited or no relationship to future valuations of such Investment in any market that may develop for the Investment, whether private or public.

Conflicts of Interest

The agreements and arrangements between Private Investment Fund X and L3 Capital have been established by the Manager and are not the result of arm's-length negotiations. Further, affiliates of L3 Capital serve as officers, employees, and/or directors in other companies and may not dedicate their full attention to the operations of Private Investment Fund X. L3 Capital may be subject to conflicting demands in respect of allocating time, services, investment activities, and other functions between the activities it has undertaken with respect to Private Investment Fund X and the activities it has undertaken or will undertake with respect to other investment vehicles. It is therefore possible that any of them may, in the course of their respective businesses, have potential conflicts of interest with Private Investment Fund X or the members. Each will, at all times, have regard to its obligations to the Fund and/or the members and, in the event that a conflict of interest arises they will attempt to ensure that such conflicts are resolved fairly.

Market Volatility

Volatile market conditions at various times have had a dramatic effect on investment returns. In addition, terrorist attacks and other acts of violence or war may affect the operations and profitability of the investments. Furthermore, certain losses resulting from these types of events are uninsurable. Such events could cause consumer confidence and spending to decrease or result in increased volatility in the U.S. and worldwide financial markets and economy. They also could result in a continuation of the current economic uncertainty in the U.S. and abroad. Any of these occurrences could have a significant impact on the Fund's operating results and revenues.

IT IS CRITICAL THAT INVESTORS REFER TO THE RELEVANT OFFERING AND FUND GOVERNING DOCUMENTS FOR A COMPLETE UNDERSTANDING OF APPLICABLE RISKS. THE INFORMATION CONTAINED HEREIN IS A SUMMARY ONLY AND IS QUALIFIED IN ITS ENTIRETY BY SUCH DOCUMENTS.

ITEM 9 –DISCIPLINARY INFORMATION

To the best of our knowledge, there are no legal or disciplinary events that are material to a client's or prospective client's or an Investor's or potential Investor's evaluation of L3 Capital's advisory business or the integrity of L3 Capital's management.

ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Neither L3 Capital nor its management persons are registered or have an application pending to register as a broker-dealer or registered representative of a broker-dealer.

Neither L3 Capital nor 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.

The Managing Member resigned as a registered representative at PHX Financial, Inc., a FINRA registered broker-dealer on September 5, 2019. The Managing Member is currently not a registered representative at any FINRA registered broker-dealer.

L3 Capital and the Private Investment Funds (except for Private Investment Fund X) generally have the authority to create new classes or series of shares or interests. L3 Capital may enter into letter agreements or other similar agreements (collectively, “Side Letters”) with one or more Investors in the Private Investment Funds. The Side Letters may provide such Investors in such Funds with additional and/or different rights (including, without limitation, participation in certain investments due to regulatory or other reasons, currency denomination, access to information, fees, minimum investment amounts, and liquidity terms) than other Investors in the Funds. In general, L3 Capital and the Private Investment Funds will not be required to notify any or all of the other Investors in the respective Private Investment Funds of any such Side Letters or any of the rights and/or terms or provisions thereof; and L3 Capital and the Funds will not be required to offer such additional and/or different rights and/or terms to any or all of the other Investors in the Funds.

L3 Capital or its affiliates may, directly or indirectly, be an investor in and/or an officer, director, manager or member of any Investment which Private Investment Fund X may invest in and may be entitled to share in any fees and/or compensation which such officer, director, manager or member of such Investment may be entitled to receive, which will not be shared with Private Investment Fund X and its Investors. While conflicts of interest may arise in the event that such affiliates’ fiduciary duties conflicts with those of Private Investment Fund X, L3 Capital expects that the interests will be aligned and fully disclosed to Investors.

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

L3 Capital's Code of Ethics (the "Code") is designed to meet the requirements of Rule 204A-1 of the Investment Advisers Act of 1940 (the "Advisers Act"). The Code applies to L3 Capital's "Access Persons." Access Persons include, generally, any employee or other supervised person of L3 Capital who, in relation to L3 Capital's advisory clients, (1) has access to non-public information regarding any purchase or sale of securities, or non-public information regarding securities holdings, or (2) is involved in making securities recommendations, executing securities recommendations, or has access to such recommendations that are non-public. All L3 Capital employees are deemed to be Access Persons.

The Code sets forth a standard of business conduct that takes into account L3 Capital's status as a fiduciary and requires Access Persons to place the interests of the advisory clients and Investors above their own interests and the interests of L3 Capital. The Code requires Access Persons to comply with applicable federal securities laws. Further, Access Persons are required to promptly bring violations of the Code to the attention of L3 Capital's Chief Compliance Officer, Phillip McKie (the "Chief Compliance Officer" or his designee). All Access Persons are provided with a copy of the Code and are required to acknowledge receipt and understanding of the Code upon hire and on at least an annual basis thereafter.

The Code also sets forth certain reporting and pre-clearance requirements with respect to personal trading by Access Persons. Access Persons must provide the Chief Compliance Officer with a list of their personal accounts and an initial holdings report within 10 days of becoming an Access Person. In addition, Access Persons must provide annual holdings reports and quarterly transaction reports in accordance with Advisers Act Rule 204A-1.

The Code also seeks to ensure the protection of nonpublic information about the activities of the Advisory Clients. Investors or prospective Investors may obtain a copy of the Code by contacting the Chief Compliance Officer at (929) 203-0544.

L3 Capital and the Managing Member can be said to recommend interests in the Private Investment Funds to prospective Investors. L3 Capital and the Managing Member have a material financial interest with respect to fees paid by Investors. The Performance Fees described in Item 5, above, may create an incentive for L3 Capital to make investments that are riskier or more speculative than in the absence of such compensation.

ITEM 12 – BROKERAGE PRACTICES

As a general matter, L3 Capital transacts in private investments that are not executed on an exchange. L3 Capital has authority to select the broker-dealer to be used in each transaction for the Private Investment Funds and for negotiating the fees to be paid to the broker-dealer in connection with such transactions. L3 Capital recognizes its duty to obtain “best execution.” Consistent with such duty, in determining best execution, L3 Capital takes into account the full range and quality of a broker-dealer’s services. L3 Capital does not select broker-dealers solely on the basis of lowest possible commission costs, but by the best qualitative execution.

Consideration is given to a variety of factors, including but not limited to the following:

- Commission rates
- Reliability
- Financial responsibility
- Strength of the broker and the ability of the broker to efficiently execute transactions
- The broker’s facilities
- The broker’s provision or payment of the costs of brokerage and research services that are of benefit to L3 Capital or its clients or affiliates

L3 Capital may consider a broker-dealer’s ability to provide L3 Capital with the opportunity to participate in capital introduction events sponsored by the broker-dealer and to refer Investors to the Funds. It should be emphasized that L3 Capital does not select broker-dealers solely in return for referrals. L3 Capital recognizes that it may have an incentive to favor broker-dealers that provide capital introduction services to L3 Capital or refer Investors. L3 Capital receives asset-based fees and accordingly would receive a financial benefit from the increase in assets under management that result from capital introduction services and Investor referrals. Similarly, L3 Capital’s affiliate receives a performance-based allocation and accordingly could receive a larger performance-based allocation in any given profit period as a result of an increase in assets under management that results from capital introduction services and Investor referrals. The potential for higher fees presents a potential conflict in that L3 Capital has an incentive to favor broker-dealers that provide services that have a direct impact on fees even if those broker-dealers rate unfavorably in other categories.

While L3 Capital’s primary consideration in allocating portfolio transactions to broker-dealers is to obtain favorable prices and efficient executions, L3 Capital does not have an obligation to, and does not always seek to, obtain the lowest priced execution regardless of qualitative considerations.

It should be specifically noted that the Private Investment Funds do not typically invest in the types of securities that are traded on an exchange and do not generate commissions or “soft dollars.”

L3 Capital does not have directed brokerage arrangements.

ITEM 13 – REVIEW OF ACCOUNTS

The investment portfolios of the Private Investment Funds are under constant review by the Managing Member. Such reviews include a review of adherence to the Private Investment Funds' investment objective, strategies, target capacity and risk. Any proposed deviations from the Funds' investment guidelines or strategies will be discussed with the Chief Compliance Officer to determine if consent of the Private Investment Funds and/or Investors is necessary.

Investors in the Private Investment Funds receive annual audited financial statements within 90 days of the fiscal year-end. In addition, Private Investment Fund Investors receive tax reports relating to their investments and updates as set forth in the applicable offering documents.

Please check each Private Investment Fund's offering memorandum and/or other governing documents for reporting specific to each Fund.

ITEM 14 – CLIENT REFERRALS AND COMPENSATION

L3 Capital may agree to pay (and has paid in the past) third-party placement agents that refer investors to a Private Investment Fund. The compensation typically paid to these placement agents includes a fixed fee and/or incentive allocation earned by L3 Capital in respect of investors referred by such placement agents. L3 Capital is a party to written solicitation agreements with third party solicitors whereby solicitors may introduce prospective clients to L3 Capital. Under these agreements, L3 Capital agrees to pay the solicitor a portion or percentage of the performance fee L3 Capital may be entitled to receive from certain clients who invest in one of the Private Investment Funds during the term of the agreement. A solicitor may be subject to conflicts of interest arising from these arrangements, because the payments might induce the solicitor to recommend an investment manager to a client which the solicitor might not otherwise recommend if there was no payment. L3 Capital enters into solicitation agreements, and pays fees under these agreements, in accordance with Rule 206(4)-3 under the Advisers Act. L3 Capital and the solicitors are not affiliated persons as defined in the Advisers Act.

ITEM 15 – CUSTODY

L3 Capital is deemed to have custody of a Private Investment Fund's assets pursuant to Advisers Act Rule 206(4)-2 (the "Custody Rule"). However, it is not required to comply (or is deemed to have complied) with certain requirements of the Custody Rule with respect to each Private Investment Fund because it complies with the provisions of the so-called "Pooled Vehicle Annual Audit Exception," which, among other things, requires that such Private Investment Fund be subject to audit at least annually by an independent public accountant that is registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board, and requires that such Fund distribute its audited financial statements to all investors within the time period set forth under the rules. Investors should carefully review such audited financial statements.

ITEM 16 – INVESTMENT DISCRETION

L3 Capital has authority to manage the Private Investment Funds as manager or pursuant to investment management agreements between L3 Capital and the applicable Private Investment Fund. The terms and investment objectives and strategies applicable to the Private Investment Funds are set forth in a private placement memorandum and other offering materials provided to Investors prior to the time of an investment. Any limitations on L3 Capital's authority are described in each Fund's offering documents. While L3 Capital has sole discretion over all decisions regarding each Private Investment Fund, such Private Investment Fund's membership interests and the Portfolio Securities including, without limitation, when to buy, sell and the price at which Portfolio Securities will be purchased and/or sold, and whether to have membership interests redeemed by the Company and/or sold to third parties, and, in such event, at what redemption and/or sale prices, it does not have discretion to invest in various financial instruments and securities except with respect to Private Investment Fund X. Except with respect to Private Investment Fund X, L3 Capital currently conduct closings of the purchase and sale of Interests of a particular Private Investment Fund concurrently with the purchases of Portfolio Securities or of entities holding Portfolio Securities; though L3 Capital may, in its sole discretion, elect to conduct closings at any time in which cleared funds and accepted subscriptions have been received from prospective Investors. In addition, except for Private Investment Fund X, L3 Capital currently undertakes to invest in all Portfolio Securities for a particular Issuer purchased on a particular date by way of a separate Series or sub-Series of membership interests of a particular Private Investment Fund. With respect to Private Investment Fund X, L3 Capital may hold closing(s) and make such investment(s) at such times and dates in its sole discretion. Investors for each Private Investment Fund must execute a subscription agreement in which they make various representations, including representations regarding their suitability to invest in a high-risk investment pool. Further, Investors in each Private Investment Fund must execute a limited liability company agreement that contains a power of attorney.

ITEM 17 – VOTING CLIENT SECURITIES

Based upon the Private Investment Funds' investment strategies (and lack of involvement in publicly-traded equities), it is unlikely that L3 Capital will need to vote proxies for the Private Investment Funds. If, in the future, it is contemplated that L3 Capital may exercise voting authority with respect to the Private Investment Funds securities, L3 Capital will create policies and procedures that are in the best interest of the respective Private Investment Funds and in accordance with the procedures as described to the Investors above. In addition, prior to voting any proxies with respect to the Funds, any such policies and procedures will review the applicable proxy solicitation materials for potential conflicts of interest and if a material conflict is identified, L3 Capital will consider the conflict and determine what course of action is in the best interests of the applicable Private Investment Fund and will determine (in its sole discretion) whether it is appropriate to disclose the conflict to Investors of such fund.

ITEM 18 – FINANCIAL INFORMATION

N/A. L3 Capital is not required to include a balance sheet for its most recent fiscal year, and is not aware of any financial condition that is reasonably likely to impair its ability to meet contractual commitments to advisory clients. In addition, L3 Capital has not been the subject of a bankruptcy petition at any time during the past ten years.