

INVESTMENT ADVISER BROCHURE

FORT POINT CAPITAL, LLC

**185 Dartmouth Street, 6th Floor
Boston, MA 02116
<https://www.fortpointcapital.com>**

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This Investment Adviser Brochure (“Brochure”) provides information about the qualifications and business practices of Fort Point Capital, LLC (“Fort Point Capital”). If you have any questions about the contents of this Brochure, please contact us at (617) 303-2444. 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 authority.

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

Additional information regarding Fort Point Capital is also available on the SEC’s website at www.adviserinfo.sec.gov.

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Material Changes

There have been no material changes to this Firm Brochure since our last filing dated June 24, 2020.

ADVISORY BUSINESS

Fort Point Capital, a Delaware limited liability company and a registered investment adviser, and its affiliated investment advisers provide investment advisory services to investment funds privately offered to qualified investors in the United States and elsewhere. Fort Point Capital commenced operations in November 2010. Fort Point Capital is controlled by Brooke Ablon and Paul Lipson.

Fort Point Capital's clients include the following (each, a "**Fund**" and, together with any future private investment fund to which Fort Point Capital or its affiliates provide investment advisory services, the "**Funds**"):

- FPC Small Cap Fund I, L.P. ("**Fund I**")
- FPC Small Cap Fund II, L.P.
- FPC Small Cap Fund II-A, L.P. (together with FPC Small Cap Fund II, L.P., "**Fund II**")

The following general partner entities are affiliated with Fort Point Capital:

- FPC Small Cap Partners I, L.P.
- FPC Small Cap Partners II, L.P.

(each, a "**General Partner**" and, together with Fort Point Capital and their affiliated entities, "**Fort Point**").

Each General Partner is subject to the Advisers Act pursuant to Fort Point Capital's registration in accordance with SEC guidance. This Brochure also describes the business practices of the General Partners, which operate as a single advisory business together with Fort Point Capital.

The Funds are private equity funds and invest through negotiated transactions in operating entities, generally referred to herein as "**portfolio companies**." Fort Point's investment advisory services to the Funds consist of identifying and evaluating investment opportunities, negotiating the terms of investments, managing and monitoring investments and achieving dispositions for such investments. Although investments are made predominantly in non-public companies, investments in public companies are permitted. From time to time, where such investments consist of portfolio companies, the senior principals or other personnel of Fort Point generally serve on such portfolio companies' respective boards of directors or otherwise act to influence control over management of portfolio companies in which the Funds have invested.

Fort Point's advisory services to the Funds are detailed in the relevant private placement memoranda or other offering documents (each, a "**Memorandum**"), limited partnership or other operating agreements (each, a "**Partnership Agreement**" and, together with any relevant Memorandum, the

“**Governing Documents**”) and are further described below under “Methods of Analysis, Investment Strategies and Risk of Loss.” Investors in the Funds participate in the overall investment program for the applicable Fund, but in certain circumstances are excused from a particular investment due to legal, regulatory or other agreed-upon circumstances pursuant to the Governing Documents; for the avoidance of doubt, such arrangements generally do not and will not create an adviser-client relationship between Fort Point and any investor. The Funds or the General Partners have entered into side letters or other similar agreements (“**Side Letters**”) with certain investors that have the effect of establishing rights under, or altering or supplementing the terms (including economic or other terms) of, the Governing Documents with respect to such investors.

Additionally, from time to time and as permitted by the Governing Documents, Fort Point expects to provide (or agree to provide) co-investment opportunities (including the opportunity to participate in co-invest vehicles) to certain investors or other persons, including other sponsors, market participants, finders, consultants and other service providers, Fort Point’s personnel and/or certain other persons associated with Fort Point. Such co-investments typically involve investment and disposal of interests in the applicable portfolio company at the same time and on the same terms as the Fund making the investment. However, from time to time, for strategic and other reasons, a co-investor or co-invest vehicle (including a co-investing Fund) purchases a portion of an investment from one or more Funds after such Funds have consummated their investment in the portfolio company (also known as a post-closing sell-down or transfer), which generally will have been funded through Fund investor capital contributions and/or use of a Fund credit facility. Any such purchase from a Fund by a co-investor or co-invest vehicle generally occurs shortly after the Fund’s completion of the investment to avoid any changes in valuation of the investment. Where appropriate, and in Fort Point Capital’s sole discretion, Fort Point Capital reserves the right to charge interest on the purchase to the co-investor or co-invest vehicle (or otherwise equitably to adjust the purchase price under certain conditions), and to seek reimbursement to the relevant Fund for related costs. However, to the extent such amounts are not so charged or reimbursed, they generally will be borne by the relevant Fund.

Fort Point managed \$321,752,365 in client assets on a discretionary basis as of December 31, 2020.

FEES AND COMPENSATION

In general, Fort Point receives a management fee and a carried interest in connection with advisory services. Fort Point receives additional compensation in connection with management and other services performed for portfolio companies of Funds and such additional compensation will offset in whole or in part the management fees otherwise payable to Fort Point in accordance with the Governing Documents. Investors in a Fund also bear certain expenses.

Management Fees

During its investment period, Fund I will pay , semi-annually partially in advance and partially in arrears, a management fee (the “**Management Fee**”) equal to 2.0% on an annual basis of

aggregate investor capital commitments (“**Commitments**”) to Fort Point. Commencing with the first Management Fee due date after the expiration of the investment period or earlier upon the occurrence of certain events as set forth in the Governing Document, Fund I will pay Fort Point a Management Fee equal to 2.0% of the cost basis of any investment then held by Fund I. The Management Fee will be payable until all portfolio investments are disposed of or completely written off or until Fort Point’s relationship with Fund I is terminated for other reasons (as described in the Governing Documents).

During its investment period, Fund II will pay the applicable Management Company or its designated Affiliate, quarterly in advance, a Management Fee equal to 2.0% on an annual basis of Commitments held by partners not designated as “affiliated partners” by the General Partner. Commencing with the first Management Fee due date after the expiration of the investment period or earlier upon the occurrence of certain events as set forth in the Governing Documents, the Management Fee will equal 2.0% of (i) the aggregate investment contributions, less (ii) the aggregate amount of investment contributions with respect to the portion of each investment that has been disposed of or permanently written down. The Management Fee will be payable until all portfolio investments are disposed of or completely written off or until Fort Point’s relationship with Fund II is terminated for other reasons (as described in the Governing Documents). Installments of the Management Fee payable for any period other than a full three-month period are adjusted on *pro rata* basis according to the actual number of days in such period.

To the extent specified in a Fund’s Governing Documents, Fort Point Capital or another Fort Point entity will be permitted to receive certain supplemental fees and other amounts (“**Supplemental Fees**”) consisting of: (i) directors’ fees, financial consulting fees or advisory fees paid to Fort Point with respect to any Fund investment; (ii) transaction fees paid to Fort Point with respect to any Fund investment; and (iii) break-up fees with respect to Fund transactions not completed that are paid to Fort Point, in each case net of certain expenses (including those described below) as set forth in the Governing Documents. The Governing Documents generally will provide that Supplemental Fees received by Fort Point will be credited against management fees otherwise owed to Fort Point in a specified percentage (*e.g.*, 80%). The remaining amount of such Supplemental Fees will be retained by Fort Point. To the extent that such an offset credit would reduce the Management Fee for a given quarterly or semi-annual period below zero, the credit will be carried forward to reduce the Management Fee payable in following quarterly or semi-annual periods and if a credit remains upon the Fund’s final distribution of assets, a payment will be made crediting limited partners (other than, as applicable, limited partners designated as “affiliated partners” by the applicable General Partner) unless a limited partner has elected to waive such amount (*e.g.*, where an adverse tax consequence potentially will result).

As a matter of practice, Fort Point is typically paid fees of the type referred to in the preceding paragraph from, on behalf of or with respect to co-investors in an investment. The receipt of such fees generally will not reduce the Management Fee payable by any Fund(s) that have also invested in such investment, and, as a result, such Fund will, in most cases, only benefit with respect to its allocable portion on a fully diluted basis of any such fee and not the portion of any fee that relates to such co-investors or potential co-investors, which have the potential to be significant. Additionally, as further described below and in the Governing Documents, it is Fort Point’s practice to retain certain professionals to be a part of Fort Point’s Operating Advisory Board (the “**Operating Advisory Board Members**”) to provide services to (or with respect to) certain portfolio companies in which one or more Funds invest. Such Operating Advisory Board

Members generally receive compensation and other amounts described herein from the relevant portfolio companies or Funds to which they provide services, but no such amounts will offset or reduce the Management Fee.

Carried Interest

Each Fund's General Partner will receive a carried interest with respect to each Fund equal to 20% of all realized profits subject to an 8% compound preferred return, as more fully described in the Governing Documents. Fort Point has entered into Side Letters with certain Limited Partners whereby the terms applicable to such Limited Partners have reduced their carried interest percentage with the effect that not all Limited Partners will invest on the same terms. The carried interest distributed to Fort Point is subject to a potential giveback at the end of life of the applicable Fund if the applicable General Partner has received excess cumulative distributions.

It is expected that any future Funds will have a similar fee structure.

Other Information

Fort Point is permitted to exempt certain "affiliated partner" investors in Fund II from payment of all or a portion of Management Fees and/or carried interest, including Fort Point and any other person designated by Fort Point, such as investors closely associated with Fort Point or its principals, or other investors meeting certain qualification requirements based on commitment size or other strategic or relationship factors. The General Partner reserves the right to make any such exemption from fees and/or carried interest by a direct exemption, a rebate by Fort Point or through other Funds which co-invest with a Fund. For example, in instances where a Fort Point Capital professional (or an affiliated entity thereof) invests in a Fund, such professional (or such affiliated entity) generally will be exempt from payment of the Management Fee and carried interest with respect to such Fund. Fort Point retains flexibility to structure its compensation from investors and expects in certain circumstances to agree to invoice an investor directly for Management Fees or other compensation, rather than deducting such amounts from the investor's capital account(s).

The Funds generally invest on a long-term basis. Accordingly, investment advisory and other fees are expected to be paid, except as otherwise described in the Governing Documents, over the term of the relevant Fund, and investors generally are not permitted to withdraw or redeem interests in the Funds.

Principals or other current or former employees of Fort Point generally receive salaries and other compensation derived from, and in certain cases including a portion of, the Management Fee, carried interest or other compensation received by Fort Point.

In addition to the Management Fees and carried interest paid, each Fund bears certain expenses which are generally paid by Fort Point and reimbursed to Fort Point from each Fund. As set forth more fully in the Governing Documents, a Fund bears all fees, costs, expenses, liabilities and obligations relating to the Fund's (and its subsidiaries' and intermediate entities') activities, investments and business to the extent not reimbursed by a portfolio company or applied to reduce Management Fees, including: (i) activities with respect to the structuring, organizing, negotiating, consummating, financing, refinancing, acquiring, bidding on, owning, managing, monitoring, operating, holding, hedging, restructuring, trading, taking public or private, selling, valuing, winding up, liquidating or otherwise disposing of, as applicable, a Fund's portfolio companies and its actual and potential investments (including follow-on investments) or seeking to do any of the foregoing (including any associated legal, financing, commitment, transaction or other fees and expenses payable to attorneys, accountants, investment bankers, lenders, third-party diligence software and service providers, consultants and

similar professionals in connection therewith and any fees and expenses related to transactions that may have been offered to co-investors), whether or not any contemplated transaction or project is consummated and whether or not such activities are successful; (ii) indebtedness of, or guarantees made by, a Fund, the relevant General Partner or any "affiliated partner" on behalf of a Fund (including any credit facility, letter of credit or similar credit support), including interest with respect thereto, or seeking to put in place any such indebtedness or guarantee; (iii) financing, commitment, origination and similar fees and expenses; (iv) broker, dealer, finder, underwriting (including both commissions and discounts), loan administration, private placement fees, sales commissions, investment banker, finder and similar services; (v) brokerage, sale, custodial, depository, trustee, record keeping, account and similar services; (vi) legal, accounting, research, auditing, administration (including fees and expenses associated with a Fund's third-party administrator and administration or reporting software, if any), information, appraisal, advisory, valuation (including third-party valuations, appraisals or pricing services), consulting (including consulting and retainer fees and other compensation paid to an operations group consisting of Operating Advisory Board Members or any of the Operating Advisory Board Members, consultants performing investment initiatives and other similar consultants), tax and other professional services; (vii) reverse breakup, termination and other similar fees; (viii) directors and officers liability, errors and omissions liability, crime coverage and general partnership liability premiums and other insurance and regulatory expenses; (ix) filing, title, transfer, registration and other similar fees and expenses; (x) printing, communications, marketing and publicity; (xi) the preparation, distribution or filing of Fund-related or investment-related financial statements or other reports, tax returns, tax estimates, Schedules K-1 or any other administrative, compliance or regulatory filings or reports (including Form PF and any filings or reports contemplated by the Alternative Investment Fund Managers Directive or any similar law, rule or regulation), or other information, including fees and costs of any third-party service providers and professionals related to the foregoing; (xii) developing, licensing, implementing, maintaining or upgrading any web portal, extranet tools, computer software or other administrative or reporting tools (including subscription-based services) for the benefit of a Fund or its limited partners; (xiii) any activities with respect to protecting the confidential or non-public nature of any information or data; (xiv) to the extent provided in the Governing Documents, or otherwise approved by the relevant General Partner in its sole discretion, activities or proceedings of an advisory committee (including any costs and expenses incurred by representatives of the relevant General Partner, the advisory committee members, permitted observers and other persons in attendance or otherwise

participating in meetings of such advisory committee); (xv) indemnification (including any fees, costs and expenses incurred in connection with indemnifying any partner or other person pursuant to the Governing Documents and advancing fees, costs and expenses incurred by any such person in defense or settlement of any claim that may be subject to a right of indemnification pursuant to the Governing Documents), except as otherwise set forth in the Governing Documents; (xvi) actual, threatened or otherwise anticipated litigation, mediation, arbitration or other dispute resolution process, including any judgment, other award or settlement entered into in connection therewith; (xvii) any annual limited partner meeting or other periodic, if any, meetings of the limited partners and any other conference or meeting with any limited partner(s), and any periodic meeting, training, program and/or event involving portfolio company management and/or other persons, in each case to the extent incurred by the relevant Fund, the relevant General Partner or any affiliate of the relevant General Partner; (xviii) except as otherwise determined by the relevant General Partner in its sole discretion, any fee, cost, expense, liability or obligation relating to any alternative investment vehicle or its activities, business, portfolio companies or actual or potential investments (to the extent not borne or reimbursed by a portfolio company of such alternative investment vehicle) that would be a Fund expense or organizational expense if it were incurred in connection with a Fund, and any expenses incurred in connection with the formation, management, operation, termination, winding up and dissolution of any feeder vehicles related to a Fund to the extent not paid by the investors investing in such entities; (xix) the termination, liquidation, winding up or dissolution of a Fund; (xx) defaults by partners with respect to the payment of any capital contributions; (xxi) amendments to, and waivers, consents or approvals pursuant to, the constituent documents of a Fund, the relevant General Partner and related entities and any alternative investment vehicle of a Fund, including the preparation, distribution and implementation thereof; (xxii) complying with any law or regulation related to the activities of a Fund (including regulatory expenses of the relevant General Partner incurred in connection with the operation of a Fund and legal fees and expenses); (xxiii) any litigation or governmental inquiry, investigation or proceeding involving a Fund, including the amount of any judgments, settlements or fines paid in connection therewith, except as set forth in the Governing Documents; (xxiv) any third-party experts, including independent appraisers, engaged by the relevant General Partner in connection with a Fund considering, making or holding an investment in the same entity as one or more other investment vehicles (other than a Fund) managed or controlled by the relevant General Partner or any of its affiliates; (xxv) unreimbursed costs and expenses incurred in connection with any transfer or proposed transfer by a limited partner; (xxvi) any taxes, fees and other governmental charges levied against a Fund and all expenses incurred in connection with any tax audit, investigation settlement or review of a Fund (except to the extent that the relevant Fund is reimbursed therefor by a partner or such tax, fee or charge is treated as having been distributed to the partners pursuant to the Governing Documents); (xxvii) distributions to the partners and other expenses associated with the acquisition, holding and disposition of a Fund's investments, including extraordinary expenses; (xxviii) unreimbursed expenses and unpaid fees of the operations group consisting of Operating Advisory Board Members or any of the Operating Advisory Board Members, employees or other persons engaged by such operations group; (xxix) gifts or mementos given to limited partners, portfolio company management or personnel and/or other Fund constituents in connection with any meeting, conference or other event described in (xvii) above; (xxx) compliance or regulatory matters related to a Fund, except as set forth in the Governing Documents; (xxxi) any travel, lodging, meals or entertainment relating to any of the foregoing, including in connection with consummated and unconsummated investment and disposition opportunities; (xxxii) any organizational expenses; (xxxiii) any private placement or

finders' fees paid by a Fund to placement agents, finders or other third parties performing similar services in connection with the organization or funding of a Fund and/or the applicable parallel fund (but not including any out-of-pocket costs and expenses incurred by such persons and paid or reimbursed by the relevant Fund or parallel fund); and (xxxiv) any other fees, costs, expenses, liabilities or obligations approved by the relevant advisory committee. The Funds also bear expenses indirectly to the extent a portfolio company (or intermediate entity) pays expenses, including expenses of Fort Point. Generally included in the expenses permitted to be borne by a Fund are the fees, costs, expenses, liabilities and obligations of legal counsel, consultants and/or other service providers to procure, develop, establish, review, revise, customize, upgrade and/or negotiate relationships relating to the foregoing items, which generally are expected to be significant. In certain cases, these or similar expenses (and/or Supplemental Fees) are expected to be charged to portfolio companies, capitalized into the cost basis of a transaction or, to the extent necessary or desirable for operational, administrative, tax or other reasons, charged at the level of an intermediate holding company between the relevant Fund and the portfolio company. Excluded from Fund expenses are ordinary overhead and administrative expenses that are payable by a General Partner in connection with maintaining and operating their respective offices (including salaries, rent, equipment expenses and other similar expenses specified in the Governing Documents). As is typical for private equity funds, the Funds likely bear additional and greater expenses, directly or indirectly, than many other pooled investment products, such as mutual funds, and there can be no assurance that the benefits to investors will be commensurate with such expenses. To the extent brokerage fees are incurred, they will be incurred in accordance with the general practices set forth in "Brokerage Practices."

In certain circumstances, one Fund is expected to pay an expense or obligation common to multiple Funds (including, without limitation, legal expenses for a transaction in which all such Funds participate, or other fees or expenses in connection with services the benefit of which are received by other Funds over time), and be reimbursed by the other Funds by their share of such expenses or obligations, without interest. While Fort Point believes such circumstances to be highly unlikely, it is possible that one Fund could default on its obligation to reimburse the paying Fund. In certain circumstances, Fort Point Capital, the relevant General Partner or an affiliate thereof is expected to advance amounts related to the foregoing and receive reimbursement from the Funds to which such expenses relate.

As described above, in certain circumstances, the relevant General Partner is expected to permit certain investors to co-invest in portfolio companies alongside one or more Funds, subject to Fort Point's related policies and the Governing Documents and/or Side Letter(s). Where a co-invest vehicle is formed, such entity generally will bear expenses related to its formation and operation, many of which are similar in nature to those borne by the Funds. In the event that 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, all fees and expenses, or other liabilities or obligations, incurred for transactions not consummated related to such proposed transaction ("**Broken Deal Expenses**") will be borne by the Fund(s), and not by any potential co-investors, that were to have participated in such transaction. However, to the extent that such co-investors have already invested in a co-investment or other vehicle in connection with such transaction, such vehicle is expected to bear its share of such Broken Deal Expenses.

Fort Point generally has discretion over whether to charge Supplemental Fees to a portfolio company and, if so, the rate, timing, method and/or amount of such compensation, as well as to charge such amounts at varying levels in a portfolio company's holding or operating structure. In most circumstances, such compensation is not reviewed or approved by an independent third party. The receipt of Supplemental Fees generally will give rise to potential conflicts of interest between the Funds, on the one hand, and Fort Point, on the other hand.

Operating Advisory Board Members

Additionally, as further described herein and in the Governing Documents, it is Fort Point's practice to use or retain certain Operating Advisory Board Members to provide services to one or more Funds or certain current or prospective portfolio companies in which one or more Funds invest. Such Operating Advisory Board Members generally provide manufacturing, sales, marketing, technology, human resources, acquisition integration/rationalization and/or other operations services, acquisition or other due diligence or similar services to a Fund, any alternative investment vehicle or any portfolio company or prospective portfolio company of a Fund or any alternative investment vehicle. In certain circumstances, these services also include serving in management or policy-making positions for portfolio companies. Operating Advisory Board Members receive compensation, including, but not limited to, fees, retainers, incentive equity or other stock awards or other compensation, the amount of which generally is determined according to one or more methods, including the value of the time (including an allocation for overhead and other fixed costs) of such Operating Advisory Board Members, a percentage of the value of the portfolio company, the invested capital exposed to such portfolio company, amounts believed to be charged by other providers for comparable services and/or a percentage of cash flows from such company. Operating Advisory Board Members also generally will be reimbursed for certain travel and other costs in connection with their services. As described above, no such amounts will offset or reduce the Management Fee. The use of Operating Advisory Board Members subjects Fort Point to potential conflicts of interest, as discussed under "Conflicts of Interest," below.

PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

As described under "Fees and Compensation," the relevant General Partner receives a carried interest allocation on certain realized profits in the Funds. Fort Point does not advise Funds not subject to a carried interest, although it generally has the authority to waive carried interest with respect to certain "affiliated partners" as described under "Fees and Compensation," above. Additionally, to the extent that Fort Point personnel are assigned varying percentages of carried interest from the Funds, such personnel are subject to potential conflicts of interest, to the extent they are involved in identifying investment opportunities as appropriate for Funds from which they are entitled to receive a higher carried interest percentage.

Fort Point seeks to address the potential for conflicts of interest in these matters with allocation policies / practices that provide that transactions and investment opportunities will be allocated to the Funds in accordance with each Fund's investment guidelines and Governing Documents, as well as other factors that do not include the amount of performance-based

compensation received by Fort Point or any personnel.

The existence of performance-based compensation has the potential to create an incentive for the General Partner to make more speculative investments on behalf of a Fund than it would otherwise make in the absence of such arrangement, although Fort Point generally considers performance-based compensation to better align its interests with those of its investors.

TYPES OF CLIENTS

Fort Point provides investment advice solely to its Fund clients, and references throughout this Brochure to “clients” and to Fort Point’s related duties to and practices on behalf of its clients and/or investors should be construed accordingly. The Funds generally include investment partnerships or other investment entities formed under domestic or foreign laws and operated as exempt investment pools under the Investment Company Act of 1940, as amended. The investors

participating in the Funds generally include individuals, banks or thrift institutions, other investment entities, university endowments, sovereign wealth funds, family offices, pension and profit-sharing plans, trusts, estates or charitable organizations or other corporations or business entities and from time to time include, directly or indirectly, principals or other employees of Fort Point and members of their families, Operating Advisory Board Members or other service providers retained by Fort Point.

The relevant General Partner also generally is permitted from time to time to establish Funds that are alternative investment vehicles in order to permit certain investors to participate in one or more particular investment opportunities in a manner desirable for tax, regulatory or other reasons. Alternative investment vehicle sponsors generally have limited discretion to invest the assets of these vehicles independent of limitations or other procedures set forth in the organizational documents of such vehicles and the related Fund.

The Funds generally have a minimum investment amount of \$5,00,000 for third-party investors, and Fund interests generally are offered and sold solely to accredited investors and qualified purchasers (or qualified knowledgeable Fort Point personnel). Fort Point generally is permitted to waive such minimum investment amount.

METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

General

Fort Point is a private investment firm focused on investing in lower middle market, business-to-business, service-oriented companies throughout the United States and Canada, typically with \$3 to \$10 million of EBITDA and enterprise values that are generally less than \$75 million. Within this universe, Fort Point targets undermanaged companies that possess significant potential for improved performance and growth that Fort Point believes could be realized in conjunction with Fort Point's equity sponsorship and active involvement.

There can be no assurance that Fort Point will achieve the investment objectives of any Fund and a loss of investment is possible.

Investment and Operating Strategy

Fort Point seeks to execute a rigorous process of identifying, acquiring, building and exiting portfolio companies. Fort Point's investment process has four core components:

(i) proactive investment origination; (ii) methodical investment evaluation; (iii) active portfolio company management; and (iv) rigorous exit process.

Investment Origination

- **Systematic Origination** – Fort Point seeks to execute on its origination efforts by measuring and managing every step in the process. This data enables Fort Point to

efficiently manage a broad network of intermediaries and effectively allocate Fort Point's resources.

- **Operating Advisory Board** – Fort Point’s Operating Advisory Board consists of experienced small business operators and industry specialists. The Operating Advisory Board Members offer additional personal and professional networks that enhance investment origination, and are strong references for potential sellers and management teams.
- **Small M&A Firms and Proprietary Opportunities** – Across the Fort Point portfolio, 50% of the platform investments were sourced outside of a formal sale process, whether that be a direct introduction to an owner with no intermediary, or in partnership with existing owners providing Fort Point with an advantage versus other market participants. The balance of the platform investments were sourced via small M&A firms. Additionally, Fort Point has been able to leverage existing relationships within the deal sourcing channel, as well as to continue to identify and cultivate new relationships, which is critical to Fort Point’s ability to find attractive investment opportunities outside the reach of larger private equity firms.
- **Service Sector Knowledge** – Fort Point conducts theme-based, proprietary research to identify growing businesses in targeted industries. Previous themes include value-added distribution into retail, food safety and information technology infrastructure as a service.

Investment Evaluation

The investment approval process is run in parallel with disciplined due diligence practices. Prior to a letter of intent, diligence consists mainly of internal research on the opportunity, market and financial performance of the targeted company. The work includes company visits and multiple discussions with company management. Additionally, Fort Point leverages its Operating Advisory Board Members and/or other industry experts to enhance its investment evaluation process. Post-letter of intent, diligence is supplemented by Fort Point’s long-term strategic advisors (third-party specialists) with domain expertise in different areas.

Portfolio Management

Fort Point looks to build value in its portfolio companies through comprehensive strategic planning, an alignment of interests (management co-investment), hands-on oversight and monitoring avenues for exit both during diligence and post-investment. During Fort Point’s ownership period, the Fort Point team seeks to improve portfolio company profitability through multiple initiatives, many of which are identified pre-acquisition, including, but not limited to: (i) leveraging access to expert strategic planning facilitators; (ii) leveraging access to specialized recruiters who focus on talent acquisition for smaller companies; (iii) helping to recruit board directors with relevant industry or functional experience; and (iv) evaluating where enhanced systems can improve portfolio company operations.

Exit Process

Holding periods for Fort Point portfolio companies are generally three to seven years, guided by Fort Point’s belief in selling once the strategic objectives of the business are met as

defined in its strategic plan for the business. In each case, multiple factors are weighed when deciding to exit an investment, including forward-looking opportunities, risks, general market conditions and whether the business will provide further opportunities for the next owner. The process to sell a business includes an evaluation of several experienced investment banks that would be expected to lead a broad and systematic auction process.

Risks of Investment

Each Fund and its investors bear the risk of loss that Fort Point's investment strategy entails. The risks involved with Fort Point's investment strategy and an investment in a Fund include, but are not limited to:

Business Risks. A Fund's investment portfolio is expected to consist primarily of securities issued by privately held companies, and operating results in a specified period will be difficult to predict. Such investments involve a high degree of business and financial risk that can result in substantial losses.

Concentration of Investments. Each Fund will participate in a limited number of investments and may seek to make several investments in one industry or one industry segment or within a short period of time. As a result, a Fund's investment portfolio could become highly concentrated, and the performance of a few holdings or of a particular industry may substantially affect its aggregate return. Furthermore, to the extent that the capital raised is less than the targeted amount, a Fund may invest in fewer portfolio companies and thus be less diversified.

Lack of Sufficient Investment Opportunities. The business of identifying, structuring and completing private equity transactions is highly competitive and involves a high degree of uncertainty. It is possible that a Fund will never be fully invested if enough sufficiently attractive investments are not identified. However, limited partners will be required to bear Management Fees through the relevant Fund during the applicable investment period based on the entire amount of the limited partners' Commitments and other expenses as set forth in the Governing Documents.

Dynamic Investment Strategy. While each General Partner generally intends to seek attractive returns for a Fund primarily through making private equity investments as described herein, the relevant General Partner may pursue additional investment strategies and may modify or depart from its initial investment strategy, investment process and investment techniques as it determines appropriate. A General Partner may pursue investments outside of the industries and sectors in which Fort Point has previously made investments or have internal operational experience.

Impact of Government Regulation, Reimbursement and Reform. Certain industry segments in which a Fund may invest are (or may become) (i) highly regulated at both the federal and state levels in the United States and internationally and (ii) subject to frequent regulatory change. Certain segments may be highly dependent upon various government (or private) reimbursement programs. While each Fund intends to invest in companies that seek to comply with applicable laws and regulations, the laws and regulations relating to certain industries are complex, may be ambiguous or may lack clear judicial or regulatory interpretive guidance. An adverse review or

determination by any applicable judicial or regulatory authority of any such law or regulation, or

an adverse change in applicable regulatory requirements or reimbursement programs, could have a material adverse effect on the operations and/or financial performance of the companies in which a Fund invests.

Illiquidity; Lack of Current Distributions. An investment in a Fund should be viewed as an illiquid investment. 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 generally expected that this will not occur for a number of years after the initial investment. Before such time, there may be no current return on the investment. Furthermore, the expenses of operating a Fund (including the Management Fee payable to each General Partner) may exceed its income, thereby requiring that the difference be paid from a Fund's capital, including unfunded Commitments.

Leveraged Investments. A Fund may make use of leverage by having a portfolio company incur debt to finance a portion of its investment in such portfolio company, including in respect of companies not rated by credit agencies. Leverage generally magnifies both a Fund's opportunities for gain and its risk of loss from a particular investment. The cost and availability of leverage is highly dependent on the state of the broader credit markets (and such credit markets may be impacted by regulatory restrictions and guidelines), which state is difficult to accurately forecast, and at times it may be difficult to obtain or maintain the desired degree of leverage. The use of leverage also imposes restrictive financial and operating covenants on a company, in addition to the burden of debt service, and may impair its ability to operate its business as desired and/or finance future operations and capital needs. The leveraged capital structure of portfolio companies will increase the exposure of a Fund's investments to any deterioration in a company's condition or industry, competitive pressures, an adverse economic environment or rising interest rates and could accelerate and magnify declines in the value of a Fund's investments in the leveraged portfolio companies in a down market. In the event any portfolio company cannot generate adequate cash flow to meet its debt service, the relevant Fund may suffer a partial or total loss of capital invested in the portfolio company, which could adversely affect the returns of such Fund. Furthermore, should the credit markets be limited or costly at the time a Fund determines that it is desirable to sell all or a part of a portfolio company, such Fund may not achieve an exit multiple or enterprise valuation consistent with its forecasts. Moreover, the companies in which a Fund will invest generally will not be rated by a credit rating agency. A Fund may also borrow money or guaranty indebtedness (such as a guaranty of a portfolio company's debt) or otherwise be liable therefor, and in such situations, it is not expected that such Fund would be compensated for providing such guarantee or exposure to such liability. The use of leverage by a Fund also will result in interest expense and other costs to such Fund that may not be covered by distributions made to such Fund or appreciation of its investments. A Fund may incur leverage on a joint and several basis with one or more other investment funds and entities managed by the relevant General Partner or any of its affiliates and may have a right of contribution, subrogation or reimbursement from or against such entities. In addition, to the extent a Fund incurs leverage (or provides such guaranties), such amounts may be secured by capital commitments made by such Fund's investors and such investors' contributions may be required to be made directly to the lenders instead of such Fund.

To the extent a Fund provides bridge financing to facilitate portfolio company investments, it is possible that all or a portion of such bridge financing will not be recouped within the time period specified in the Governing Documents, in which case the investment would be treated as a permanent investment of the Fund. As a result, such Fund's portfolio could become more concentrated with respect to such investment than initially expected or otherwise provided for under such Fund's investment limitations, certain of which exclude bridge financing investments.

Subscription Lines. The Funds intend to make use of subscription lines with one or more lenders in order to finance its operations (including the acquisition of a Fund's investments). Fund-level borrowing subjects limited partners to certain risks and costs. For example, because amounts borrowed under a subscription line typically are secured by pledges of the relevant General Partner's right to call capital from the limited partners, limited partners may be obligated to contribute capital on an accelerated basis if a Fund fails to repay the amounts borrowed under a subscription line or experiences an event of default thereunder. Moreover, any limited partner claim against a Fund would likely be subordinate to such Fund's obligations to a subscription line's creditors.

In addition, Fund-level borrowing will result in incremental partnership expenses that will be borne by investors. These expenses typically include interest on the amounts borrowed, unused commitment fees on the committed but unfunded portion of a subscription line, an upfront fee for establishing a subscription line, and other one-time and recurring fees and/or expenses, as well as legal fees relating to the establishment and negotiation of the terms of the borrowing facility. Because a subscription line's interest rate is based in part on the creditworthiness of the relevant Fund's limited partners and the terms of the Governing Documents, it may be higher than the interest rate a limited partner could obtain individually. To the extent a particular limited partner's cost of capital is lower than the relevant Fund's cost of borrowing, Fund-level borrowing can negatively impact a limited partner's overall individual financial returns even if it increases such Fund's reported net returns in certain methods of calculation. Conflicts of interest have the potential to arise in that the use of Fund-level borrowing typically delays the need for limited partners to make contributions to a Fund, which in certain circumstances enhances the relevant Fund's internal rate of return calculations and thereby may be deemed to benefit the marketing efforts of the relevant General Partner and its affiliates. Conflicts of interest also have the potential to arise to the extent that a subscription line is used to make an investment that is later sold in part to co-investors, as to the extent co-investors are not required to act as guarantors under the relevant facility or pay related costs or expenses, co-investors nevertheless stand to receive the benefit of the use of the subscription line and neither the relevant Fund nor investors generally will be compensated for providing the relevant guarantee(s) or being subject to the related costs, expenses and/or liabilities.

A credit agreement may contain other terms that restrict the activities of a Fund and the limited partners or impose additional obligations on them. For example, a subscription line may impose restrictions on the relevant General Partner's ability to consent to the transfer of a limited partner's interest in a Fund. In addition, in order to secure a subscription line, the relevant General Partner may request certain financial information and other documentation from limited partners to share with lenders. The relevant General Partner will have significant discretion in negotiating the terms of any subscription line and may agree to terms that are not the most favorable to one or more limited partners.

Fund-level borrowing involves a number of additional risks. For example, drawing down on a subscription line allows the relevant General Partner to fund investments and pay partnership expenses without calling capital, potentially for extended periods of time. Calling a large amount of capital at once to repay the then current amount outstanding under a subscription line could cause short-term liquidity concerns for limited partners that would not arise had the relevant General Partner called smaller amounts of capital incrementally over time as needed by a Fund. This risk would be heightened for a limited partner with commitments to other funds that employ similar borrowing strategies or with respect to other leveraged assets in its portfolio; a single market event could trigger simultaneous capital calls, requiring the limited partner to meet the accumulated, larger capital calls at the same time. A Fund may also utilize Fund-level borrowing when the relevant General Partner expects to repay the amount outstanding through means other than limited partner capital, including as a bridge for equity or debt capital with respect to an investment. If a Fund ultimately is unable to repay the borrowings through those other means, limited partners would end up with increased exposure to the underlying investment, which could result in greater losses.

Restricted Nature of Investment Positions. Generally, there will be no readily available market for Fund investments, and hence, most of a Fund's investments will be difficult to value. Certain investments may be distributed in kind to the partners of a Fund and it may be difficult to liquidate the securities received at a price or within a time period that is determined to be ideal by such partners. After a distribution of securities is made to the partners, many partners may decide to liquidate such securities within a short period of time, which could have an adverse impact on the price of such securities. The price at which such securities may be sold by such partners may be lower than the value of such securities determined pursuant to the Governing Documents, including the value used to determine the amount of carried interest available to the relevant General Partner with respect to such investment.

Non-U.S. Investments. A Fund may, subject to certain limitations set forth in the Governing Documents, invest in portfolio companies that are organized, headquartered and/or have substantial sales or operations outside of the United States, its territories and possessions. Such investments may be subject to certain additional risks due to, among other things, potentially unsettled points of applicable governing law, the risks associated with fluctuating currency exchange rates, capital repatriation regulations (as such regulations may be given effect during the term of a Fund), the application of complex U.S. and non-U.S. tax rules to cross-border investments, possible imposition of non-U.S. taxes on a Fund and/or such Fund's partners with respect to the Fund's income and possible non-U.S. tax return filing requirements for the Fund and/or its partners.

Additional risks of non-U.S. investments include: (i) economic dislocations in the host country; (ii) less publicly available information; (iii) less well-developed and/or more restrictive laws, regulations, regulatory institutions and judicial systems; (iv) greater difficulty of enforcing legal rights in a non-U.S. jurisdiction; (v) civil disturbances; (vi) government instability; and (vii) nationalization and expropriation of private assets. Moreover, non-U.S. companies may not be subject to uniform accounting, auditing and financial reporting standards, practices and requirements comparable to those that apply to U.S. companies.

Distressed Investments. A Fund may invest in the securities and obligations, including debt obligations that are in covenant or payment default, of companies experiencing significant financial difficulties and material operating issues, including companies that may have been, are or will become involved in bankruptcy proceedings or other restructuring, recapitalization or liquidation processes. Investments in such companies involve a substantial degree of risk that is generally higher than the risk involved in investing in companies that are not in financial or operational distress. Given the heightened difficulty of the financial analysis required to evaluate distressed companies, there can be no assurance that the relevant General Partner will correctly evaluate the value of the assets of a distressed company securing its debt and other obligations or correctly project the prospects for the successful restructuring, recapitalization or liquidation of such company. Therefore, in the event that a portfolio company does become involved in bankruptcy proceedings or a restructuring, recapitalization or liquidation is required, the relevant Fund may lose some or all of its investment or may be required to accept illiquid securities with rights that are materially different than the original securities in which such Fund invested.

Non-controlling Investments. A Fund may hold meaningful minority stakes in privately held companies and in some cases may have limited minority protection rights. In addition, during the process of exiting investments, a Fund at times may hold minority equity stakes of any size such as might occur if portfolio companies are taken public. As is the case with minority holdings in general, such minority stakes that a Fund may hold will have neither the control characteristics of majority stakes nor the valuation premiums accorded majority or controlling stakes. Where a Fund holds a minority stake, it may be more difficult for such Fund to liquidate its interests than it would be had such Fund owned a controlling interest in such company. Even if a Fund has contractual rights to seek liquidity of such Fund's minority interests in such companies, it may be very difficult to sell such interests or seek a sale of such company upon terms acceptable to such Fund, especially in cases where the interests of the other investors in such company have different business and investment objectives and goals.

Enhanced Scrutiny and Certain Effects of Potential Regulatory Changes. There continue to be discussions regarding enhanced governmental scrutiny and/or increased regulation of the private equity industry. There can be no assurance that any such scrutiny or regulation will not have an adverse impact on a Fund's activities, including the ability of a Fund to effectively and timely address such regulations, implement operating improvements or otherwise execute its investment strategy or achieve its investment objectives. The combination of such scrutiny of private equity firms (along with other alternative asset managers) and their investments by various politicians, regulators and market commentators, and the public perception that certain alternative asset managers, including private equity firms, contributed to the 2008-2009 downturn in the U.S. and global financial markets, may complicate or prevent a Fund's efforts to structure, consummate and/or exit investments, both in general and relative to competing bidders outside of the alternative asset space. As a result, a Fund may invest in fewer transactions or incur greater expenses or delays in completing or exiting investments than it otherwise would have. Additionally, recently enacted U.S. federal income tax legislation treats certain allocations of capital gains to service providers by partnerships (such as a Fund) as short-term capital gain (taxed at higher ordinary income rates), unless the partnership has held the asset which generated such gain for more than three years. This could reduce the after-tax returns of Fort Point's principals, employees or other individuals associated with Fort Point, the General Partners or the Funds who were or may in the future be granted direct or indirect interests in carried interest, which could make it more difficult for the

relevant General Partner and its affiliates to incentivize, attract and retain individuals to perform services for a Fund.

Uncertain Economic, Social and Political Environment. Consumer, corporate and financial confidence may be adversely affected by current or future tensions around the world, fear of terrorist activity and/or military conflicts, localized or global financial crises or other sources of political, social or economic unrest. Such erosion of confidence may lead to or extend a localized or global economic downturn. Furthermore, such confidence may be adversely affected by local, regional or global health crises including, but not limited to, the rapid and pandemic spread of novel viruses commonly known as SARS, MERS and COVID-19 (Coronavirus). Such health crises could exacerbate political, social and economic risks previously mentioned, and result in significant breakdowns, delays and other disruptions to important global, local and regional supply chains affected, with potential corresponding results on the operating performance of affected portfolio companies. A climate of uncertainty, including the contagion of infectious viruses or diseases, may reduce the availability of potential investment opportunities, and increases the difficulty of modeling market conditions, potentially reducing the accuracy of financial projections. In addition, limited availability of credit for consumers, homeowners and businesses, including credit used to acquire businesses, in an uncertain environment or economic downturn may have an adverse effect on the economy generally and on the ability of a Fund and its portfolio companies to execute their respective strategies and to receive an attractive multiple of earnings on the disposition of businesses. This may slow the rate of future investments by a Fund and result in longer holding periods for investments. Furthermore, such uncertainty or general economic downturn may have an adverse effect upon such Fund's portfolio companies.

Public Health Emergencies. Pandemics and other widespread public health emergencies may result in market volatility and disruption, and may adversely impact economic production and activity in ways that are impossible to predict, all of which may result in significant losses to a Fund.

Market Conditions. The state of the private equity industry, generally, and the success of a Fund's investment activities, specifically, will be affected by general economic and market conditions, as well as by changes in laws, currency exchange controls, and U.S. and global political and socioeconomic circumstances. Such factors are unpredictable and cannot be controlled by the relevant General Partner. Conditions such as financial market volatility, illiquidity and/or decline, a generally unstable economic environment (including as a result of a slowdown in economic growth and/or changes in interest rates or foreign exchange rates) and/or a deterioration in the capital markets may negatively impact the availability of attractive investment opportunities for a Fund, such Fund's ability to make investments, the availability of funding to support such Fund's investment objectives, the performance and/or valuation of such Fund's investments and/or such Fund's ability to dispose of investments. In addition, such conditions may impact the public market comparable earnings multiples that are frequently used to value privately held portfolio companies and investors' risk-free rate of return. In such an environment, a Fund may be more likely to pay reverse break-up, termination or other fees and expenses in the event that such Fund is not able to close a transaction (whether due to lenders' unwillingness to provide previously committed financing or otherwise) and/or the inability of such Fund to dispose of investments at prices that the relevant General Partner believes reflect the fair value of such investments. Such conditions could result in substantial or total losses to a Fund in respect of certain investments, which losses

will likely be exacerbated by the presence of leverage in a portfolio company's capital structure.

Projections. Projected operating results of a company in which a Fund invests normally will be based primarily on financial projections prepared by such company's management, with adjustments to such projections made by the relevant General Partner in its discretion. In all cases, projections are only estimates of future results that are based upon information received from the company and third parties and assumptions made at the time the projections are developed. There can be no assurance that the results set forth in the projections will be attained, and actual results may be significantly different from the projections. Also, general economic factors, which are not predictable, can have a material effect on the reliability of projections.

Need for Follow-On Investments. Following its initial investment in a given portfolio company, a Fund may decide to provide additional funds to such portfolio company or may have the opportunity to increase its investment in a successful portfolio company (whether for opportunistic reasons, to fund the needs of the business, as an equity cure under applicable debt documents or for other reasons). There is no assurance that a Fund will make follow-on investments or that such Fund will have sufficient funds to make all or any of such investments. Any decision by a Fund not to make follow-on investments or its inability to make such investments may have a substantial negative effect on a portfolio company in need of such an investment (including an event of default under applicable debt documents in the event an equity cure cannot be made). Additionally, such failure to make such investments may result in a lost opportunity for a Fund to increase its participation in a successful portfolio company or the dilution of such Fund's ownership in a portfolio company if a third party invests in such portfolio company.

Investment in Junior Securities. The securities in which a Fund will invest may be among the most junior in a portfolio company's capital structure and, thus, subject to the greatest risk of loss. Generally, there will be no collateral to protect a Fund's investment once made.

Public Company Holdings. A Fund's investment portfolio may contain securities and debt issued by publicly held companies. Such investments may subject a Fund to risks that differ in type or degree from those involved with investments in privately held companies. Such risks include greater volatility in the valuation of such companies, increased obligations to disclose information regarding such companies, limitations on the ability of such Fund to dispose of such securities and debt at certain times, increased likelihood of shareholder litigation and insider trading allegations against such companies' executives and board members, including Fort Point's principals, and increased costs associated with each of the aforementioned risks.

Limited Access to Information. Limited partners' rights to information regarding a Fund, the relevant General Partner or Fort Point generally will be specified, and in many cases strictly limited, by the Governing Documents. In particular, it is anticipated that the relevant General Partner and its affiliates will obtain certain types of material information from or relating to a Fund's investments that will not be disclosed to limited partners because such disclosure is prohibited, including as a result of contractual, legal or similar obligations outside of Fort Point's control. Decisions by Fort Point to withhold information may have adverse consequences for limited partners in a variety of circumstances. For example, a limited partner that seeks to transfer its interest in a Fund may have difficulty in determining an appropriate price for such interest. Decisions to withhold information may also make it difficult for a limited partner to monitor Fort Point and its performance. Additionally, it is anticipated that limited partners that designate

representatives to participate on a Fund's advisory board generally may, by virtue of such participation, have more or earlier information about a Fund and its investments in certain circumstances than other limited partners. Limited partners generally will bear the expenses of responding to disclosure requests, including in connection with state public records, similar freedom of information and other laws, whether or not the relevant Fund succeeds in asserting confidentiality for requested documents and other materials, and Fort Point reserves the right to withhold certain information from investors subject to such laws for reasons relating to Fort Point's public reputation, business strategy or other reasons.

Material Non-Public Information; Other Regulatory Restrictions. As a result of the operations of Fort Point, as well as in connection with officerships or directorships of Fort Point personnel, Fort Point may come into possession of confidential or material non-public information. Therefore, Fort Point may have access to material non-public information that may be relevant to an investment decision to be made by a Fund. Consequently, a Fund may be restricted from initiating a transaction or selling an investment which, if such information had not been known to it, may have been undertaken on account of applicable securities laws or Fort Point's internal policies. Due to these restrictions, a Fund may not be able to make an investment that it otherwise might have made or sell an investment that it otherwise might have sold.

Similarly, anti-money laundering, anti-boycott and economic and trade sanction laws and regulations in the United States and other jurisdictions may prevent Fort Point or the Funds from entering into transactions with certain individuals or jurisdictions. The United States Department of the Treasury's Office of Foreign Assets Control ("OFAC") and other governmental bodies administer and enforce laws, regulations and other pronouncements that establish economic and trade sanctions on behalf of the United States. Among other things, these sanctions may prohibit transactions with or the provision of services to, certain individuals or portfolio companies owned or operated by such persons, or located in jurisdictions identified from time to time by OFAC. Additionally, antitrust laws in the United States and other jurisdictions give broad discretion to the U.S. Federal Trade Commission, the United States Department of Justice and other U.S. and non-U.S. regulators and governmental bodies to challenge, impose conditions on or reject certain transactions. In certain circumstances, antitrust restrictions relating to one Fund's acquisition of a portfolio company may preclude other Funds from making an attractive acquisition or require one or more other Funds to sell all or a portion of certain portfolio companies owned by them.

As a result of any of the foregoing, a Fund may be adversely affected because of Fort Point's inability or unwillingness to participate in transactions that may violate such laws or regulations, or by remedies imposed by any regulators or governmental bodies. Any such laws or regulations may make it difficult or may prevent a Fund from pursuing investment opportunities, require the sale of part or all of certain portfolio companies on a timeline or in a manner deemed undesirable by Fort Point or may limit the ability of one or more portfolio companies from conducting their intended business in whole or in part. Consequently, there can be no assurance that a Fund will be able to participate in all potential investment opportunities that fall within its investment objectives.

Hedging Arrangements; Related Regulations. A General Partner may (but is not obligated to) endeavor to manage a Fund's or any portfolio company's currency exposures, interest rate exposures or other exposures, using hedging techniques where available and appropriate. A Fund may incur costs related to such hedging arrangements, which may be undertaken in exchange-traded or over-the-counter ("OTC") contexts, including futures, forwards, swaps, options and

other instruments. There can be no assurance that adequate hedging arrangements will be available on an economically viable basis or that such hedging arrangements will achieve the desired effect, and in some cases hedging arrangements may result in losses greater than if hedging had not been used. In some cases, particularly in OTC contexts, hedging arrangements will subject a Fund to the risk of a counterparty's inability or refusal to perform under a hedging contract, or the potential loss of assets held by a counterparty, custodian or intermediary in connection with such hedging. OTC contracts may expose a Fund to additional liquidity risks if such contracts cannot be adequately settled. Certain hedging arrangements may create for the relevant General Partner and/or one of its affiliates an obligation to register with the U.S. Commodity Futures Trading Commission (the "CFTC") or other regulator or comply with an applicable exemption. Losses may result to the extent that the CFTC or other regulator imposes position limits or other regulatory requirements on such hedging arrangements, including under circumstances where the ability of a Fund or a portfolio company to hedge its exposures becomes limited by such requirements.

Unfunded Pension Liabilities of Portfolio Companies. Certain court decisions have found that, where an investment fund owns 80% or more (or under certain circumstances less than 80%) of a portfolio company, such fund (and any other 80%-owned portfolio companies of such fund) might be found liable for certain pension liabilities of such a portfolio company to the extent the portfolio company is unable to satisfy such liabilities. Although each Fund intends to manage its investments to minimize any such exposure, a Fund may, from time to time, invest in a portfolio company that has unfunded pension fund liabilities, including structuring the investment in a manner where such Fund may own an 80% or greater interest in such a portfolio company. If a Fund (or other 80%-owned portfolio companies of such Fund) were deemed to be liable for such pension liabilities, this could have a material adverse effect on the operations of such Fund and the companies in which such Fund invests. This discussion is based on current court decisions, statute and regulations regarding control group liability under the Employee Retirement Income Security Act of 1974, as amended, as in effect as of the date of this Brochure, which may change in the future as the case law and guidance develops.

Valuation of Assets. There is not expected to be an actively traded market for most of the securities owned by the Funds. When estimating fair value, the relevant General Partner will apply a methodology it determines to be appropriate based on accounting guidelines and the applicable nature, facts and circumstances of the respective investments. However, the process of valuing securities for which reliable market quotations are not available is based on inherent uncertainties and the resulting values may differ from values that would have been determined had an active market existed for such securities and may differ from the prices at which such securities ultimately may be sold. The exercise of discretion in valuation by the relevant General Partner may give rise to conflicts of interest, including in connection with determining the amount and timing of distributions of carried interest and the calculation of management fees.

Cybersecurity Risks. Operating companies are frequently subject to significant cybersecurity risk. To the extent that a portfolio company is subject to cyber-attack or other unauthorized access is gained to a portfolio company's systems, such portfolio company may be subject to substantial losses in the form of stolen, lost or corrupted: (i) customer data or payment information; (ii) customer or portfolio company financial information; (iii) portfolio company software, contact lists or other databases; (iv) portfolio company proprietary information or trade secrets; or (v) other items. In certain cases, a portfolio company's failure or deemed failure to address and mitigate cybersecurity risks may be the subject of civil litigation or regulatory or other

action. Any of such circumstances could subject a portfolio company and/or a Fund to substantial losses. In addition, in the event that such a cyber-attack or other unauthorized access is directed at a General Partner or one of its affiliates or service providers holding its financial or investor data, the relevant General Partner, its affiliates or the relevant Fund may also be at risk of loss.

Privacy and Data Protection Law Compliance Risk. The adoption, interpretation and application of consumer protection, data protection and/or privacy laws and regulations (“**Privacy Laws**”) in the United States, Europe and elsewhere could significantly impact current and planned privacy and information security related practices, the collection, use, sharing, retention and safeguarding of personal data and current and planned business activities of Fort Point, the General Partners, the Funds and/or their portfolio companies, and increase compliance costs and require the dedication of additional time and resources to compliance for such entities. A failure to comply with such Privacy Laws by any such entity or their service providers could result in fines, sanctions or other penalties, which could materially and adversely affect the results of operations and overall business, as well as have a negative impact on reputation and Fund performance. As Privacy Laws are implemented, interpreted and applied, compliance costs for Fort Point, the General Partners, the Funds and/or their portfolio companies are likely to increase, particularly in the context of ensuring that adequate data protection and data transfer mechanisms are in place.

For example, California has passed the California Consumer Privacy Act of 2018, and the European Union has enacted the General Data Protection Regulation (EU 2016/679), each of which broadly impacts businesses that handle various types of personal data, potentially including private fund managers and their funds and investments. Such laws impose stringent legal and operational obligations on regulated businesses, as well as the potential for significant penalties.

Other jurisdictions, including other U.S. states, have proposed or are considering similar Privacy Laws, which if enacted could impose similarly significant costs, potential liabilities and operational and legal obligations. Such Privacy Laws and regulations are expected to vary from jurisdiction to jurisdiction, thus increasing costs, operational and legal burdens, and the potential for significant liability for regulated entities, which could include Fort Point, the General Partners, the Funds and/or their portfolio companies.

United Kingdom (“UK”) Exit from the European Union (the “EU”). On March 29, 2017, the United Kingdom formally notified the European Council of its intention to leave the EU (“**Brexit**”). After a number of iterations, the European Commission and the UK’s negotiators reached agreement on the terms of the UK’s withdrawal from the EU, and these terms have been approved by the UK and EU Parliaments. The UK formally left the EU on January 31, 2020 after which the UK entered the transition period specified in the withdrawal agreement, which is scheduled to end on December 31, 2020. During this period, it is expected that the majority of the existing EU rules will continue to apply in the UK.

The terms of UK’s exit from the EU are still uncertain, including UK’s access to the EU single market permitting the exchange of goods and services between the UK and the EU. The UK expects to agree a deal on a future relationship with the EU by the end of the transitional period but whether this is possible is subject to disagreement by leaders of certain EU member states.

The future application of EU-based legislation to the private fund industry in the UK will depend, among other things, on how the UK renegotiates its relationship with the EU. There can be no assurance that any renegotiated laws or regulations will not have an adverse impact on a

Fund and its investments, including the ability of a Fund to achieve its investment objectives.

The legal, political and economic uncertainty generally resulting from the UK's exit from the EU may adversely affect both EU and UK-based businesses, including Fort Point and Fund portfolio companies. This uncertainty may also result in an economic slowdown and/or a deteriorating business environment in the UK and in one or more EU Member States.

Conflicts of Interest

Fort Point and its related entities engage in a broad range of advisory and non-advisory activities, including investment activities for their own account and for the account of other Funds, and providing transaction-related, legal, management and other services to Funds and portfolio companies. Fort Point will devote such time, personnel and internal resources as are necessary to conduct the business affairs of the Funds in an appropriate manner, as required by the Governing Documents, although the Funds and their respective investments will place varying levels of demand on these over time. In the ordinary course of Fort Point conducting its activities, the interests of a Fund likely will conflict with the interests of Fort Point, one or more other Funds, portfolio companies or their respective affiliates in certain circumstances. Certain of these conflicts of interest are discussed herein. As a general matter, Fort Point will determine all matters relating to structuring transactions and Fund operations using its reasonable judgment considering all factors it deems relevant, but in its sole discretion, subject in certain cases to the required approvals by the advisory committees of the participating Funds.

During the commitment period of a Fund, all appropriate investment opportunities will be pursued by Fort Point principals through such Fund, subject to certain limited exceptions set forth in the Governing Documents and Fort Point's allocation policies. Without limitation, Fort Point principals currently manage, and expect in the future to manage, other investments similar to those in which a Fund will be investing, and expect to direct certain relevant investment opportunities or resources to those investments. Fort Point's principals and Fort Point's investment staff will continue to manage and monitor such investments until their realization. Such other investments that Fort Point principals expect from time to time to control or manage generally have the potential to compete with companies acquired by a Fund. Following the commitment period of a Fund, Fort Point principals reserve the right to, and likely will, focus their investment activities on other opportunities and areas unrelated to such Fund's investments.

From time to time, Fort Point will be presented with investment opportunities that would be suitable not only for a Fund, but also for other Funds and other investment vehicles operated by advisory affiliates of Fort Point. In determining which investment vehicles should participate in such investment opportunities, Fort Point is subject to conflicts of interest among the investors in such investment vehicles. Except as required by the Governing Documents, Fort Point is not obligated to recommend any investment to any particular investment vehicle. Investments by more than one client of Fort Point in a portfolio company also have the potential to raise the risk of using assets of a client of Fort Point to support positions taken by other clients of Fort Point.

Fort Point must first determine which Fund(s) will, or are required to, participate in the relevant investment opportunity. Fort Point generally assesses whether an investment opportunity is appropriate for a particular Fund based on the Governing Documents, as well as factors including, but not limited to: investment restrictions and objectives (including those set forth in the Governing Documents, where applicable), strategy, risk profile, time horizon, tax sensitivity, tolerance for turnover, asset composition, diversification limitations, cash level (if any), applicable tax and regulatory considerations, life cycle, structure and other relevant factors. For example, a newly organized Fund generally will seek to purchase a disproportionate amount of investments until it is substantially invested. A Fund generally reserves the right to invest together with other Funds advised by an affiliated adviser of Fort Point in the manner set forth in the Governing Documents and Fort Point Capital's Allocation Policy. Fort Point will determine the allocation of investment opportunities among Funds in a manner that it believes is fair and equitable to its clients under the circumstances over time consistent with Fort Point's obligations and reserves the right to take into consideration factors such as those set forth above.

Following such determination of allocation among Funds, Fort Point will determine if the amount of an investment opportunity in which one or more Funds will invest exceeds the amount that would be appropriate for such Fund(s) and Fort Point reserves the right to offer any such excess to one or more potential co-investors, including third parties, as determined by the Governing Documents, Side Letters and Fort Point's procedures regarding allocation. Fort Point's procedures permit it to take into consideration a variety of factors in making such determinations, including, but not limited to: expressed interest in co-investment opportunities; expertise, knowledge and sophistication of the prospective co-investor with respect to the segment, industry, geographic region or other characteristics to which the investment opportunity relates; perceived ability to quickly execute on transactions; tax, regulatory, securities laws and/or other legal considerations (*e.g.*, qualified purchaser or qualified institutional buyer status); confidentiality concerns that may arise in connection with providing the prospective co-investor with specific information relating to the investment opportunity; perceived ease of process in coordinating or completing the investment with the prospective co-investor or co-investors similar thereto; Fort Point's perception of whether the investment opportunity may subject the prospective co-investor to legal, regulatory, reporting or other burdens that make it less likely that the prospective co-investor would act upon the investment opportunity if offered or would impair Fort Point's ability to execute the relevant transaction in the desired time or on desired terms; size of the investment allocation and practicality of dividing it up among multiple co-investors; lender requirements; perceived public relations and reputational benefits or costs; existence of a formal or informal strategic relationship with the prospective co-investor; and whether Fort Point believes that allocating investment opportunities to an investor or person will help establish, recognize, strengthen and/or cultivate relationships that have the potential to provide longer-term benefits to the relevant portfolio company, other portfolio companies, the Funds or Fort Point. Although Fort Point reserves the right to consider a prospective co-investor's willingness to invest in future Funds, such willingness generally will not be the sole determining factor considered by Fort Point in identifying co-investors. Fort Point reserves the right to grant certain third-party investors the opportunity to evaluate specified amounts of prospective co-investments in Fund portfolio companies or otherwise to have priority in co-investment opportunities.

Furthermore, Fort Point or its related persons expect to make decisions regarding whether and to whom to offer co-investment opportunities in consultation with other participants in the relevant transactions, such as a lender or co-sponsor. Co-investment opportunities typically will

be offered to some and not to other Fund investors, and the consideration of the factors set forth above likely will result in certain investors receiving multiple opportunities to co-invest while others expressing interest in co-investments have the potential to receive none. When and to the extent that employees and related persons of Fort Point make capital investments in or alongside certain Funds, Fort Point is subject to potentially conflicting interests in connection with these investments. There can be no assurance that any Fund's return from a transaction would be equal to and not less than another Fund participating in the same transaction or that it would have been as favorable as it would have been had such conflict not existed.

Fort Point's allocation of investment opportunities among the persons and in the manner discussed herein often will not result in proportional allocations among such persons, and such allocations likely will be more or less advantageous to some such persons relative to others. While Fort Point will allocate investment opportunities in a manner that it believes is fair and equitable to its clients under the circumstances over time and considering relevant factors, there can be no assurance that a Fund's actual allocation of an investment opportunity, if any, or the terms on which that allocation is made, will be as favorable as they would be if the potential conflicts of interest to which Fort Point expects to be subject, discussed herein, did not exist.

In certain cases, Fort Point will have the opportunity (but, subject to any applicable restrictions or procedures in the Governing Documents, no obligation) to identify one or more secondary transferees of interests in a Fund. In such cases, Fort Point will not receive compensation for identifying such transferees, and will use its discretion to select such transferees based on eligibility and other factors, and unless required by the Governing Documents, will determine in its sole discretion whether the opportunity to receive a transfer of Fund interests should be offered to one or more existing Fund investors.

Potential conflicts are expected to arise when and to the extent a Fund makes investments in conjunction with an investment being made by another Fund, or if it were to invest in the securities of a company in which another Fund has already made an investment. A Fund may not, for example, invest through the same investment vehicles, have the same access to credit or employ the same hedging or investment strategies as other Funds. This likely will result in differences in price, terms, leverage and associated costs. Further, there can be no assurance that the relevant Fund and the other Fund(s) or vehicle(s) with which it co-invests will exit such investment at the same time or on the same terms. Fort Point may from time to time express inconsistent views of commonly held investments or of market conditions more generally. There can be no assurance that the return on one Fund's investments will be the same as the returns obtained by other Funds participating in a given transaction. Given the nature of the relevant conflicts there can be no assurance that any such conflict can be resolved in a manner that is beneficial to both Funds. In that regard, actions taken for one or more Funds may adversely affect other Funds.

Subject to any relevant restrictions or other limitations contained in the Governing Documents, Fort Point will allocate fees and expenses in a manner that it believes is fair and equitable to its clients under the circumstances over time and considering such factors as it deems relevant, but in any case in its sole discretion. In exercising such discretion, Fort Point expects to be faced with a variety of potential conflicts of interest.

As a general matter, Fund expenses typically will be allocated among all relevant Funds or co-invest vehicles eligible to reimburse expenses of that kind. In all such cases, subject to

applicable legal, contractual or similar restrictions, expense allocation decisions generally will be made by Fort Point using its reasonable judgment, considering such factors as it deems relevant, but in its sole discretion. The allocations of such expenses may not be proportional, and any such determinations involve inherent matters of discretion, *e.g.*, in determining whether to allocate *pro rata* based on number of Funds or co-invest vehicles receiving related benefits or proportionately in accordance with asset size, or in certain circumstances determining whether a particular expense has greater benefit to a Fund or Fort Point. The Funds generally have different expense reimbursement terms, including with respect to Management Fee offsets, which is expected from time to time to result in the Funds bearing different levels of expenses with respect to the same investment.

As a result of the Funds' controlling interests in portfolio companies, Fort Point typically has the right to appoint portfolio company board members (including current or former Fort Point personnel or persons serving at their request), or to influence their appointment, and to determine or influence a determination of their compensation. From time to time, portfolio company board members approve compensation and/or other amounts payable to Fort Point. Except to the extent such amounts are subject to the Governing Documents' offset provisions, they will be in addition to any Management Fees or carried interest paid by a Fund to Fort Point.

Additionally, a portfolio company typically will reimburse Fort Point or service providers retained at Fort Point's discretion for expenses (including, without limitation, travel expenses) incurred by Fort Point or such service providers in connection with its performance of services for such portfolio company. This subjects Fort Point to conflicts of interest because the Funds generally do not have an interest or share in these reimbursements, and the amount of such reimbursements over time is expected to be substantial. Fort Point determines the amount of these reimbursements for such services in its own discretion, subject to its internal reimbursement policies and practices. Although the amount of individual reimbursements typically is not disclosed to investors in any Fund, their effect is reflected in each Fund's audited financial statements, and any fee paid or expense reimbursed to Fort Point or such service providers generally is subject to: agreements with or review by sellers, buyers and management teams; the review and supervision of the board of directors of or lenders to portfolio companies; and/or third party co-investors in its transactions. These factors help to mitigate related potential conflicts of interest.

Fort Point generally exercises its discretion to recommend to a Fund or to a portfolio company thereof that it contract for services with certain service providers, and from time to time such service providers are expected to include: (i) Fort Point or a related person of Fort Point (which may include a portfolio company of such Fund); (ii) an entity with which Fort Point or current or former members of their personnel has a relationship or from which Fort Point or its personnel otherwise derives financial or other benefit, including relationships with joint venturers or co-venturers, or relationships where Fort Point personnel are seconded, or from which Fort Point receives secondees; or (iii) certain limited partners or their affiliates. For example, Fort Point expects to be presented with opportunities to receive financing and/or other services in connection with a Fund's investments from certain limited partners or their affiliates that are engaged in lending or related business. This discretion subjects Fort Point to conflicts of interest, because although Fort Point selects service providers that it believes are aligned with its operational strategies and will enhance portfolio company performance and, relatedly, returns of the relevant Fund, Fort Point has a potential incentive to recommend the related or other person (including a

limited partner) because of its financial or other business interest. There is a possibility that Fort Point, because of such belief or for other reasons (including whether the use of such persons could establish, recognize, strengthen and/or cultivate relationships that have the potential to provide longer-term benefits to the relevant Funds or Fort Point), would favor such retention or continuation even if a better price and/or quality of service could be obtained from another person. Fort Point will not necessarily seek out the lowest cost options when incurring (or causing a Fund or its portfolio companies to incur) such expenses. Although Fort Point generally seeks appropriate rates for services, it reserves the right to prioritize prior usage, perceived sector competence or expertise, familiarity, onboarding speed or other factors in retaining or recommending service providers. Whether or not Fort Point has a relationship or receives financial or other benefit from recommending a particular service provider, there can be no assurance that no other service provider is more qualified to provide the applicable services or could provide such services at lesser cost.

In addition, as described above, portfolio companies (and, to a lesser extent, the Funds) typically pay certain fees to Operating Advisory Board Members and other consultants (including consultants introduced or arranged by Fort Point that regularly provide services to one or more portfolio companies), and such fees do not offset or reduce the Management Fee as described herein. Fort Point reserves the right to agree to compensate certain of such persons to the extent portfolio company-related compensation falls below certain specified levels on an aggregate annualized basis, or provide other compensation. Operating Advisory Board Members generally receive investment opportunities, reimbursements and other compensation that do not offset or reduce the Management Fee of any Fund, as described herein. Although the use of Operating Advisory Board Members and the allocation of compensation paid to them by Fort Point and/or the portfolio companies subjects Fort Point to potential conflicts of interest, Fort Point believes that such potential conflicts may be reduced by the anticipated cost savings to portfolio companies (which is expected to be to the benefit of the applicable Fund(s)) that will result if the cost of the Operating Advisory Board Members is lower than market rates for the services provided and/or if the services of the Operating Advisory Board Members align with Fort Point's model for the portfolio company and improve portfolio company performance. Although Fort Point seeks to retain Operating Advisory Board Members with a view to reducing costs to portfolio companies (and, ultimately, the Funds) and/or improving portfolio company performance, a number of factors may result in limited or no cost savings from such retention. Fort Point also seeks to reduce potential conflicts of interest resulting from such arrangements by structuring compensation packages for such persons in a manner that Fort Point believes will align such persons' interests with those of the Funds' limited partners, and seeks to retain only Operating Advisory Board Members and service providers that it believes provide a level of service at a value generally consistent with other relevant market alternatives. However, there can be no assurance that no other service provider is more qualified to provide the applicable services or could provide such services at lesser cost.

Although uncommon, Fort Point reserves the right from time to time to cause a Fund to enter into a transaction whereby the Fund purchases securities from, or sells securities to, other Funds managed by Fort Point, or co-investors or co-investment vehicles. Such transactions may arise in the context of automatic or other re-balancing of an investment among parallel investing entities or in contexts where a portfolio company owned by one Fund is acquired by a portfolio company acquired by another Fund. Certain of such transactions raise potential conflicts of interest, including where the investment of one Fund supports the value of portfolio companies

owned by another Fund. These conflicts are heightened to the extent the relevant securities are illiquid or do not have a readily ascertainable value, and there generally can be no assurance that the price at which such transactions are entered into represent what would ultimately be the underlying investment's fair value. To the extent required by the Governing Documents or otherwise in the sole discretion of Fort Point, Fort Point reserves the right to seek to mitigate such conflicts by seeking the opinion of an unaffiliated third party (including the use of a consultant or investment banker to opine as to the fairness of a purchase or sale price) or by obtaining the consent of the relevant Fund(s) (including, where authorized, the consent of each Fund's advisory board) to such transactions. In certain circumstances, Fort Point reserves the right to determine that the willingness of a third party to make an investment on the same terms demonstrates the fairness of the relevant transaction to the Fund under then-current market conditions. Fort Point intends that any such transactions be conducted in a manner that it believes to be fair and equitable to each Fund under the circumstances, including a consideration of the potential present and future benefits with respect to each Fund.

Although Fort Point generally structures Funds to avoid cross-guarantees and other circumstances in which one Fund ultimately bears liability for all or part of the obligations of another Fund, in certain circumstances lenders and other market parties negotiate for the right to face only select Fund entities, which may result in a single Fund being solely liable for other Funds' share of the relevant obligation and/or joint and several liability among Funds. In such case, Fort Point intends to cause the relevant other Funds to enter into a back-to-back guarantee, indemnification or similar reimbursement arrangement, although the Fund undertaking the obligation in the first instance generally will not receive compensation for being primarily liable under these arrangements.

Fort Point reserves the right to employ personnel with pre-existing ownership interests in portfolio companies owned by the Funds or other investment vehicles advised by Fort Point; conversely, former personnel or executives of Fort Point may from time to time serve in significant management roles at portfolio companies or service providers recommended by Fort Point.

Similarly, Fort Point and/or personnel maintain relationships with (or may invest in) financial institutions, service providers and other market participants, including, but not limited to, managers of private funds, banks, brokers, advisors, consultants, finders (including executive finders and portfolio company finders), executives, attorneys, accountants, institutional investors, family offices, lenders, current and former employees and current and former portfolio company executives, as well as certain family members or close contacts of these persons. Certain of these persons or entities will invest (or will be affiliated with an investor) in, engage in transactions with and/or provide services (including services at reduced rates) to, Fort Point and/or the Funds or other investment vehicles they advise. Fort Point expects to be subject to a potential conflict of interest with a Fund in recommending the retention or continuation of a third-party service provider to such Fund or a portfolio company if such recommendation, for example, is motivated by a belief that the service provider or its affiliate(s) will continue to invest in one or more Funds, will provide Fort Point information about markets and industries in which Fort Point operates (or is contemplating operations) or will provide other services that are beneficial to Fort Point or one or more other Funds. Fort Point expects to be subject to a potential conflict of interest in making such recommendations, in that Fort Point has an incentive to maintain goodwill between it and the existing and prospective portfolio companies for a Fund, while the products or services recommended may not necessarily be the best available to a Fund or its portfolio companies.

Because there is a fixed investment period after which capital from investors in a Fund may only be drawn down in limited circumstances and because Management Fees are, at certain times during the life of a Fund, based upon capital invested by such Fund, this fee structure creates an incentive to deploy capital when Fort Point may not otherwise have done so.

Since Fort Point is permitted to retain certain Supplemental Fees (as described under “Fees and Compensation,” above) in connection with Fund investments, it expects to be subject to a potential conflict of interest in connection with approving transactions and setting such compensation. Additionally, Fort Point, its personnel or others designated by Fort Point expect from time to time to receive compensation in the form of portfolio company securities. To the extent any such securities are received, after any applicable offset provisions in the Governing Documents are applied (typically based on the then-present value of such securities), Fort Point and/or such other recipients will be permitted to retain such securities as Supplemental Fees, and in doing so will be subject to potential conflicts of interest in determining whether to sell such securities (subject to restrictions imposed by the portfolio company and/or Fort Point or retain such securities for a period consistent with their own financial and investment objectives, which may differ from those of the relevant Fund). In addition, because portfolio company securities typically represent newly issued incentive equity (whether in the form of common stock, warrants or options to buy common stock, or similar instruments), the receipt of compensation in the form of securities typically has the result of diluting a Fund’s relative ownership of the portfolio company awarding such compensation.

Fort Point reserves the right to enter into Side Letters with certain investors in a Fund providing such investors with different or preferential rights or terms, including, but not limited to, different fee structures (including discounted or rebated compensation terms), information rights, specialized reporting, priority co-investment rights or targeted co-investment amounts, and liquidity or transfer rights. Side Letters may also relate to strategic relationships under which an investor agrees to make capital commitments to multiple Funds. Except where required by Governing Documents, other investors will not receive copies of Side Letters or related provisions, and, as a general matter, the other investors have no recourse against a Fund, the relevant General Partner or any of their affiliates in the event that certain investors have received additional and/or different rights and/or terms as a result of such Side Letters. As a consequence of one or more limited partners being excused or excluded, or from regulatory or other factors limiting their participation in investments, the aggregate returns realized by participating limited partners could be adversely affected in a material manner by the unfavorable performance of particular investments.

Fort Point has incentives to use or to recommend products or services of one portfolio company to another, which may involve fees, commissions, servicing payments or other compensation. Potential conflicts of interest arise in making such recommendations, as Fort Point has incentives to maintain goodwill between it and its former, existing and prospective portfolio companies, and as a result the products or services recommended may not necessarily be the best or lowest cost option. Discounted prices or better terms offered by a portfolio company to Fort Point, any other portfolio company or third parties have the potential to affect the returns of the portfolio company.

Any of these situations subjects Fort Point to potential conflicts of interest. Fort Point attempts to resolve such conflicts of interest in light of its obligations to investors in its Funds and

the obligations owed by Fort Point's advisory affiliates to investors in investment vehicles managed by them, and attempts to allocate investment opportunities among a Fund, other Funds and such investment vehicles in a manner it believes to be fair and equitable to the Funds under the circumstances over time. To the extent that an investment or relationship raises particular conflicts of interest, Fort Point will review the circumstances of such investment or relationship with a view to addressing and reducing the potential for conflict. Where necessary, Fort Point consults and receives consent to conflicts from an advisory committee consisting of limited partners of the relevant Fund(s) and such other investment vehicles.

DISCIPLINARY INFORMATION

Fort Point and its management persons have not been subject to any material legal or disciplinary events required to be discussed in this Brochure.

OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Fort Point Capital is affiliated with the General Partners and equivalent entities formed from time to time and subject to the Advisers Act pursuant to Fort Point Capital's registration in accordance with SEC guidance. These entities operate as a single advisory business together with Fort Point Capital and serve as managers or general partners of Funds and other pooled vehicles and generally share common owners, officers, partners, employees, consultants or persons occupying similar positions.

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

Fort Point has adopted a Code of Ethics and Securities Trading Policy and Procedures (the "Code"), which sets forth standards of conduct that are expected of Fort Point principals and employees and addresses conflicts that arise from personal trading. The Code requires certain Fort Point personnel to report their personal securities transactions, prohibits or requires pre-clearance for Fort Point personnel from directly or indirectly acquiring beneficial ownership or disposing of securities in an initial public offering, and prohibits Fort Point personnel from directly or indirectly acquiring beneficial ownership of securities with limited exceptions, without first obtaining approval from the Fort Point Chief Compliance Officer. In addition, the Code requires such personnel to comply with procedures designed to prevent the misuse of, or trading upon, material non-public information. A copy of the Code will be provided to any investor or prospective investor upon request to Paul Lipson, the Fort Point Chief Compliance Officer, at (617) 303-2444. Personal securities transactions by employees who manage client accounts are required to be conducted in a manner that prioritizes the client's interests in client eligible investments.

Fort Point and its affiliated persons may come into possession, from time to time, of material non-public or other confidential information about public companies which, if disclosed, might affect an investor's decision to buy, sell or hold a security. Under applicable law, Fort Point and its affiliated persons would be prohibited from improperly disclosing or using such information for their personal benefit or for the benefit of any person, regardless of whether such person is a client of Fort Point.

Accordingly, should Fort Point or any of its affiliated persons come into possession of

material non-public or other confidential information with respect to public and non-public company, Fort Point generally would be prohibited from communicating such information to clients, and Fort Point will have no responsibility or liability for failing to disclose such information to clients as a result of following their policies and procedures designed to comply with applicable law. Similar restrictions may be applicable as a result of Fort Point personnel serving as directors of public companies and may restrict trading on behalf of clients, including a Fund.

Principals and employees of Fort Point generally are expected to directly or indirectly own an interest in one or more Funds, including certain co-invest vehicles. To the extent that co-invest vehicles exist, such vehicles are expected to invest in one or more of the same portfolio companies as a Fund. Co-invest opportunities generally are also expected to be presented to certain affiliates of Fort Point, as well as third-party investors and other persons, and such co-investments may be effected through co-invest vehicles, directly in a particular portfolio company or through an intermediate entity in a portfolio company's structure. Such co-investment opportunities generally will be allocated in the manner described under "Methods of Analysis, Investment Strategies and Risk of Loss."

Fort Point and its principals and employees expect from time to time to carry on investment activities for their own account, for personal or employee investment vehicles and, potentially, for family members, friends or others who do not invest in a Fund, as well as give advice and recommend securities to vehicles which may differ from advice given to, or securities recommended or bought for, any Fund, even though their investment objectives may be the same or similar. The Governing Documents and investment programs of certain Funds generally restrict, limit or prohibit, in whole or subject to certain procedural requirements, investments of certain other vehicles in issuers held by such Funds or give priority with respect to investments to such Funds. Some of these restrictions could be waived by investors (or their representatives) in such Funds or be subject to limitations (*e.g.*, by time or percentage of capital deployed).

From time to time, a General Partner reserves the right to advance funds on behalf of a Fund and contribute such amounts to the relevant Fund as a special interim capital contribution for investment, to be redeemed at a later date. A yield amount in connection with such borrowing typically is borne by the relevant Fund, consistent with the Governing Documents.

In borrowing on behalf of a Fund, Fort Point is subject to conflicts of interest between repaying its obligations and retaining such borrowed amounts for the benefit of a Fund, and in circumstances where interest accrues on any such outstanding borrowings at a rate lower than the relevant Fund's preferred return, is expected to have incentives to cause such Fund to borrow in this manner rather than drawing down capital commitments. Where a preferred return begins to accrue after capital contributions are due (regardless of when the Fund borrows, makes the relevant investment or pays expenses) and ceases to accrue upon return of these capital contributions, the use of borrowing to shorten the period between calling and returning capital limits the amount of time the preferred return will accrue. In circumstances where there is not a preferred return on funds borrowed in advance or in lieu of calling capital, Fund-level borrowing typically will reduce the amount of preferred return to which the limited partners would otherwise be entitled had the relevant General Partner called capital, and thus could result in such General Partner receiving carried interest sooner than it would without borrowing. The relevant General Partner generally will not participate in a Fund-level borrowing facility, and generally will not bear the related costs

attributable thereto, including interest expenses or costs payable, in which case such amounts will be borne solely by the limited partners. In addition, when the Management Fee is calculated as a percentage of invested capital, a limited partner may pay Management Fees on borrowed amounts used to fund investments that have not yet been realized even though such amounts would not accrue preferred return as described above. It is expected that the costs relating to the establishment and/or maintenance of a subscription line of credit will be significant, and there can be no assurance that the benefits to limited partners will be commensurate with such costs.

BROKERAGE PRACTICES

Fort Point focuses on securities transactions of private companies and generally purchases and sells such companies through privately negotiated transactions in which the services of a broker-dealer may be retained. However, Fort Point reserves the right to distribute securities to investors in a Fund or sell such securities, including through using a broker-dealer, such as where a public trading market exists. Although Fort Point does not intend to regularly engage in public securities transactions, to the extent it does so, it intends to follow the brokerage practices described below.

If Fort Point sells publicly traded securities for a Fund, it is responsible for directing orders to broker-dealers to effect securities transactions for accounts managed by Fort Point. In such event, Fort Point will seek to select brokers on the basis of best price and execution capability. In selecting a broker to execute client transactions, Fort Point reserves the right to consider a variety of factors, including: (i) execution capabilities with respect to the relevant type of order; (ii) commissions charged; (iii) the reputation of the firm being considered; and (iv) responsiveness to requests for trade data and other financial information.

Fort Point has no duty or obligation to seek in advance competitive bidding for the most favorable commission rate applicable to any particular client transaction or to select any broker on the basis of its purported or “posted” commission rate, but will endeavor to be aware of the current level of the charges of eligible brokers and to reduce the expenses incurred for effecting client transactions to the extent consistent with the interests of such clients. Although Fort Point generally seeks competitive commission rates, it may not necessarily pay the lowest commission or commission equivalent. Transactions may involve specialized services on the part of the broker involved and thereby entail higher commissions or their equivalents than would be the case with other transactions requiring more routine services.

Consistent with Fort Point seeking to obtain best execution, brokerage commissions on client transactions are permitted to be directed to brokers in recognition of research furnished by them, although Fort Point generally does not make use of such services at the current time and has not made use of such services since its inception.

Fort Point does not anticipate engaging in significant public securities transactions; however, to the extent that Fort Point engages in any such transactions, orders for purchase or sale of securities placed first will be executed first, and within a reasonable amount of time of order receipt. To the extent that orders for Funds are completed independently, Fort Point also reserves the right to purchase or sell the same securities or instruments for several Funds simultaneously. From time to time, Fort Point expects, but is not obligated, to purchase or sell securities for several client accounts at approximately the same time. Such orders may be combined or “batched” to facilitate obtaining best execution and/or to reduce brokerage commissions or other costs. Batched

transactions are executed in a manner intended to ensure that no participating Fund of Fort Point is favored over any other Fund. When an aggregated order is filled in its entirety, each participating Fund generally will receive the average price obtained on all such purchases or sales made during such trading day. To the extent such orders are not batched, they may have the effect of increasing brokerage commissions or other costs.

When an aggregate order is partially filled, the securities purchased or sold will normally be allocated on a *pro rata* basis to each Fund participating in such buy or sell order in accordance with the amount of securities originally requested for such Funds.

Each Fund generally will receive the average price obtained on all such purchases or sales made during such trading day. Exceptions to *pro rata* allocations are permissible provided Fort Point believes they are fair and equitable to its clients under the circumstances over time.

In Fort Point's private company securities transactions on behalf of the Funds, Fort Point reserves the right to retain one or more broker-dealers or investment banks, the costs of which will be borne by the relevant Fund and/or its portfolio companies. In determining to retain such parties, Fort Point reserves the right to consider a variety of factors, including: (i) capabilities with respect to the type of transaction being contemplated; (ii) commissions or fees charged; (iii) reputation of the firm being considered; and (iv) responsiveness to requests for information. As a result, although Fort Point generally will seek reasonable rates for such services, the market for such services involves more subjective evaluations than public securities brokerage transactions, and the Funds may not pay the lowest commission or fee for such services.

REVIEW OF ACCOUNTS

The investments made by the Funds are generally private, illiquid and long-term in nature. Accordingly, the review process is not directed toward a short-term decision to dispose of securities. However, Fort Point monitors companies in which the Funds invest, and the Fort Point Chief Compliance Officer periodically checks to confirm that each Fund is maintained in accordance with its stated objectives.

Each Fund generally will provide to its limited partners (i) audited financial statements annually, (ii) unaudited financial statements for the first three quarters of each fiscal year, (iii) annual tax information necessary for each partner's U.S. tax returns and (iv) descriptive investment information for each portfolio company annually.

CLIENT REFERRALS AND OTHER COMPENSATION

Fort Point intends to provide certain business or consulting services to companies in a Fund's portfolio and expect to receive compensation from these companies in connection with such services. As described in the Governing Documents, this compensation may, in many cases, offset a portion of the Management Fees paid by such Fund. However, in other cases (*e.g.*, reimbursements for out-of-pocket expenses directly related to a portfolio company), these fees are in addition to Management Fees. See "Fees and Compensation," above.

Fort Point has engaged Forum Capital Securities LLC ("**Forum**") as placement agent with respect to the private placement of interest in Fund II. In exchange for these services, Fort Point

has agreed to pay Forum a flat advisory fee and a placement fee that is calculated based on a certain percentage of the capital that is raised, in addition to the reimbursement of certain expenses.

Fort Point reserves the right from time to time to enter into additional solicitation arrangements pursuant to which it compensates third parties for referrals that result in a potential investor becoming a limited partner in a Fund. Any fees payable to any such placement agents generally will be borne by Fort Point under the Governing Documents, although related expenses incurred pursuant to the relevant placement agent or similar agreement, including, but not limited to, placement agent travel, meal and entertainment expenses, typically are borne by the relevant Fund(s).

CUSTODY

All Client assets are held in custody by unaffiliated broker/dealers or banks, however a registered investment adviser who, directly or through an affiliate, acts as the general partner or managing member to a limited partnership or other comparable pooled investment vehicle is considered to have custody over client assets. Rule 206(4)-2 under the Investment Advisers Act of 1940 imposes a number of requirements on an SEC-registered investment adviser that is deemed to have custody of its clients' funds and securities.

To comply with Rule 206(4)-2 and to provide meaningful protection to investors, each Fund is subject to an annual financial statement audit by an independent public account registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board. The audited financial statements are prepared in accordance with generally accepted accounting principles, and are distributed to each investor within 120 days of the Client Fund's fiscal year end.

INVESTMENT DISCRETION

Fort Point has discretionary authority to manage investments on behalf of each Fund. As a general policy, Fort Point does not allow clients to place limitations on this authority. Pursuant to the terms of the Governing Documents, however, Fort Point has entered, and expects to enter, into Side Letters with certain limited partners whereby the terms applicable to such limited partner's investment in a Fund are altered or varied, including, in some cases, the right to opt-out of certain investments for legal, tax, regulatory or other similar reasons. Fort Point assumes this authority pursuant to the terms of the Governing Documents and powers of attorney executed by the limited partners of such Fund.

VOTING CLIENT SECURITIES

Fort Point has adopted the Fort Point Proxy Voting Policies and Procedures (the "**Proxy Policy**") to address how it will vote proxies, as applicable, for each Fund's portfolio companies. The Proxy Policy seeks to ensure that Fort Point votes proxies (or similar instruments) in the best interest of the Funds, including where there may be material conflicts of interest in voting proxies. Fort Point generally believes its interests are aligned with those of each Fund's investors, for example, through the principals' beneficial ownership interests in such Fund and therefore will not seek investor approval or direction when voting proxies. In the event that there is or may be a conflict of interest in voting proxies, the Proxy Policy provides that Fort Point may address the conflict using several alternatives, including by seeking the approval or concurrence of a Fund's

advisory board on the proposed proxy vote or through other alternatives set forth in the Proxy Policy. Additionally, a Fund's advisory board is authorized to approve Fort Point's vote in a particular solicitation. Fort Point does not consider service on portfolio company boards by Fort Point personnel or Fort Point's receipt of management or other fees from portfolio companies to create a material conflict of interest in voting proxies with respect to such companies. In addition, the Proxy Policy sets forth certain specific proxy voting guidelines followed by Fort Point when voting proxies on behalf of a Fund. Clients or investors that would like a copy of Fort Point's complete Proxy Policy or information regarding how Fort Point voted proxies for particular portfolio companies may contact Paul Lipson, the Fort Point Chief Compliance Officer, at (617) 303-2444, and it will be provided at no charge.

FINANCIAL INFORMATION

Fort Point does not require prepayment of management fees more than six months in advance or have any other events requiring disclosure under this item of the Brochure.