

**Item 1 – Cover Page**

**Part 2A of Form ADV  
Brochure for:**

**Greycroft LP**

292 Madison Avenue, Fl. 8  
New York, NY 10017  
Telephone: (212) 893-6956  
www.greycroft.com  
compliance@greycroft.com

**March 30, 2023**

**This Investment Advisor Brochure (“Brochure”) provides information about the qualifications and business practices of Greycroft LP (“Greycroft” or the “Firm”). If you have any questions about the contents of this Brochure, please contact Greycroft at the address listed above. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.**

**Greycroft is a registered investment adviser with the SEC. Registration of an investment adviser does not imply any certain level of skill or training.**

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

## **Item 2 – Material Changes**

Greycroft filed its most recent Form ADV Part 2 on November 4, 2022. This annual amendment reflects material changes to the descriptions of potential risks, conflicts of interest and supplemental disclosures. The following updates were made to this Brochure since the last filing of this Brochure:

- Item 8: Included disclosures regarding:
  - Greycroft’s ability to perform reasonable and appropriate due diligence on potential investments, including due diligence performed in certain expedited transactions.
  - Portfolio companies’ ability to borrow without limitation and the potential risks associated with the leverage incurred.
  - Potential conflicts related to Greycroft contracting with affiliated third parties to perform services for Greycroft parties, including portfolio companies of the Funds (as defined below).
  - The potential risks that may arise from the difficulty in valuing private company investments.
  - The potential risks associated with governmental review of foreign investments in certain U.S. companies.
  - Risks associated with compliance with current and future applicable data privacy laws.
  - The use of alternative data as part of the investment process.
  - Risks associated with third parties with respect to the operation of the Funds, including risks regarding financial institutions inability to perform its obligations during a distress event. The financial institutions may be counterparties to Greycroft and/or the portfolio companies.
  - General economic and political climate risks including the ongoing conflict between Russia and Ukraine.

### Item 3 – Table of Contents

Item 1 – Cover Page .....	i
Item 2 – Material Changes .....	ii
Item 3 – Table of Contents .....	iii
Item 4 – Advisory Business.....	1
Item 5 – Fees and Compensation .....	3
Item 6 - Performance-Based Fees and Side-By-Side Management .....	6
Item 7 – Types of Clients .....	6
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss.....	7
Item 9 – Disciplinary Information .....	28
Item 10 – Other Financial Industry Activities and Affiliations .....	28
Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading .....	33
Item 12 – Brokerage Practices.....	35
Item 13 – Review of Accounts .....	35
Item 14 – Client Referrals and Other Compensation .....	36
Item 15 – Custody .....	36
Item 16 – Investment Discretion .....	36
Item 17 – Voting Client Securities.....	36
Item 18 – Financial Information .....	37
Item 19 – Requirements for State-Registered Advisers.....	37

## Item 4 – Advisory Business

### A. Description of the Advisory Firm

Greycroft is a Delaware limited partnership founded in 2006 by Alan Patricof, Dana Settle, and Ian Sigalow. Dana Settle and Ian Sigalow are the principal owners of the Firm. Greycroft is a full lifecycle venture capital firm that partners with entrepreneurs to build category-defining companies.

### B. Types of Advisory Services

Greycroft, together with its affiliated general partners, primarily provides discretionary investment advisory services to closed-end pooled investment vehicles, co-investment vehicles, and special purpose vehicles (each, a “**Fund**” and, collectively, the “**Funds**”) that are exempt from registration under the Investment Company Act of 1940, as amended (the “**Investment Company Act**”), and whose securities are not registered under the Securities Act of 1933, as amended (the “**Securities Act**”). Co-investment vehicles and special purpose vehicles are typically formed to invest only in the securities relating to the particular transaction or strategy for which the vehicle was created. On a more limited basis, Greycroft has entered into sub-advisory agreements to provide non-discretionary advisory services to certain funds managed by third-party investment advisers. Such funds are generally formed for the investment vehicle to invest solely in the securities relating to the particular transaction for which the vehicle was created. The Firm’s clients consist of the Funds and the sub-advised funds.

Discretionary investment advice is provided directly to the Funds, subject to the discretion and control of the applicable Fund’s general partner (a “**General Partner**”), and not individually to the investors in a Fund. Greycroft’s advisory services to the Funds are tailored to the Funds in accordance with the investment objectives, strategy, and restrictions as set forth in each Fund’s offering memorandum (if available), limited partnership agreement or limited liability company agreement (or other operating agreement, as applicable), side letters or other agreements, and subscription documents (collectively, the “**Governing Documents**”). Services are provided to each Fund in accordance with a management agreement between Greycroft, the applicable General Partner, and the Fund. The Funds invest primarily in early-stage and growth-stage venture capital investments in Internet and Internet-enabled companies focused on four sectors: health technology, consumer, financial services, and enterprise software. In addition to the early-stage and growth strategies, Greycroft has also formed, and may continue to form in the future: (1) strategic funds with certain investors that co-invest with the early-stage and growth-stage Funds on specific sectors, industries, or strategies; (2) funds that invest in specific sectors, industries, or strategies but do not generally co-invest with the early-stage and growth-stage Funds; and (3) co-investment vehicles to make investments in specific target companies. Greycroft will employ investment strategies and methods of analysis pursuant to such Funds’ Governing Documents.

While Greycroft's investments are predominately in privately held companies, certain Funds will, from time to time, make investments in public companies. Greycroft's investment advisory services consist of investigating, identifying, and evaluating investment opportunities, structuring, negotiating, and making investments on behalf of the Funds, managing and monitoring the performance of such investments, and disposing of such investments. Non-discretionary sub-advisory services are provided to certain funds managed by third-party investment advisers pursuant to a sub-advisory agreement.

C. Client Tailored Services and Client Imposed Restrictions

Discretionary advisory services are tailored to achieve each Fund's investment objectives. The Firm has authority to select where and how much to invest without consultation with the Fund or its investors, subject to any limitations set forth in the Governing Documents. Non-discretionary sub-advisory services are provided to certain funds managed by third-party investment advisers pursuant to a sub-advisory agreement.

D. Wrap Fee Programs

The Firm does not participate in wrap fee programs.

E. Amounts Under Management

As of December 31, 2022, the Firm has approximately \$5.7 billion of assets under management on a discretionary basis and non-discretionary basis.

## Item 5 – Fees and Compensation

### A. Fees

The fees and compensation payable to Greycroft vary among its clients. The specific manner in which fees are charged by the Firm is established in each Fund's Governing Documents and sub-advisory agreements, if applicable, the terms of which may differ from those described below. The Firm does not currently, but may in the future, negotiate a specific fee arrangement with a particular Fund investor pursuant to a side letter. Compensation is generally as follows:

#### 1. Management Fees

The Firm typically receives an annual management fee based upon the total capital commitments or invested capital of investors who are not affiliated with the applicable General Partner, as described in each Funds' Governing Documents. Management fees are typically paid at the beginning of each fiscal quarter. Certain Funds, as set forth in the applicable Governing Documents, provide for reductions in the management fee over the life of the Fund. Please refer to the Governing Documents of each of the Funds for complete information on the amount and timing of management fee payments.

In addition, management fees may be offset in certain Funds, as set forth in the applicable Governing Documents, by any directors' fees or other compensation paid by a Fund portfolio company to the Firm, the applicable General Partner, the managing members of the applicable General Partner, or certain other employees of the Firm, unless waived by the Fund's advisory committee. Greycroft employees may, from time to time, be asked to serve (or continue to serve) as directors of, or advisors with respect to, certain companies in which a Fund has fully exited its ownership interest. Such companies are no longer portfolio companies of such Fund and, as a result, any compensation received by such Greycroft employee after a Fund has fully exited its ownership interest is not subject to offset or otherwise shared with the Fund or its investors.

Certain Governing Documents permit the applicable General Partner to make "deemed contributions" of capital to certain Funds through waivers of the management fee. Accordingly, such reductions in payments by the limited partners of the management fee are treated by the Governing Documents as a capital contribution deemed made by the relevant General Partner, which is effectively invested in the relevant Fund on such General Partner's behalf and operates to reduce the amount of capital such General Partner would otherwise be required to contribute to the Fund. In such circumstances, the limited partners of the relevant Fund would be required to make a pro rata contribution according to their respective capital commitments to fund any contribution that would otherwise be required of the relevant General Partner in connection with a deemed contribution. Any deemed contributions of the relevant General Partners will generally reduce the management fee payable by the limited partners of the applicable Fund to the extent set forth in such Fund's Governing Documents.

At this time, Greycroft does not receive management fees for its non-discretionary sub-advisory services provided to certain funds managed by third-party investment advisers.

## 2. Performance-based Fees

Each Fund's General Partner may be entitled to receive a performance-based fee, including payment of a "carried interest," as described in the respective Governing Documents. The "carried interest" varies across the Funds, as more fully described in the Governing Documents. Greycroft is entitled to receive a portion of the carried interest, pursuant to the applicable sub-advisory agreement, for its non-discretionary sub-advisory services provided to certain funds managed by third-party investment advisers.

## 3. Fee Comparison

Management fees, carried interest, if any, and fund expenses can constitute a higher percentage of average net assets than could be found in other investment programs.

### B. Payment of Fees

Management fees are typically paid at the beginning of each fiscal quarter. The amount of, and the manner of calculation of, "carried interest" is detailed in each Fund's Governing Documents. The General Partner of certain Funds will, from time to time, waive or reduce "carried interest," as permitted by the relevant Governing Documents.

Additionally, certain co-investment vehicles and friends and family vehicles, which may include current and former employees of, advisers to, and other persons associated with Greycroft, do not pay management fees and/or a performance-based fee.

Payment of fees for services provided pursuant to a sub-advisory agreement are stated in the applicable sub-advisory agreement.

### C. Fund Expenses

Each Fund is responsible for its own costs and expenses, as applicable to each Fund and as described in such Fund's Governing Documents. Such expenses include, without limitation, (i) organization and syndication costs; (ii) legal, accounting, auditing, custodial, consulting and other professional fees; (iii) banking, brokerage, finders' fees, depositary and similar fees or commissions; (iv) fees, expenses, duties and costs incurred in acquiring, holding, selling, or otherwise disposing of Fund assets, including such expenses incurred for transactions which are not consummated; (v) indemnification obligations; (vi) cost of premiums and fees for liability insurance; and (vii) costs of Advisory Board and Fund meetings. The Firm bears its own operating, general, administrative, and overhead costs and expenses, other than the expenses described above and in each Fund's Governing Documents.

In certain cases, a co-investment vehicle, or other similar vehicle established to facilitate the investment alongside the Fund by investors, may be formed in connection with the consummation of a transaction. Consistent with the applicable Fund's Governing Documents, certain expenses (including those related to its organization and formation and other expenses incurred solely for the benefit of the co-investment vehicle) would be borne by the investors in such co-investment vehicle in the event a co-investment vehicle is created to invest alongside a Fund. In addition, a co-investment vehicle will also generally bear its pro rata portion of expenses incurred in connection with the making of an investment. The Firm

and its affiliates have discretion to (i) receive performance-based compensation, management fees, or similar fees for co-investment vehicles, and (ii) collect customary fees in connection with actual or contemplated investments that are the subject to co-investment arrangements.

**It is critical that investors refer to the relevant Fund's Governing Documents for a complete understanding of expenses. The information contained herein is a summary only and is qualified in its entirety by such documents.**

1. Allocation of Expenses

The Firm will be frequently required to decide how certain costs and expenses are to be allocated to one or more Funds and/or the other clients of the Firm. Certain expenses may be suitable for only a particular Fund or Funds or another participating client and borne only by such vehicles or as is more often the case, expenses may be allocated pro rata among each participating Fund and other client in accordance with expense allocation policies and procedures developed by the Firm, as may be amended or revised from time to time by the Firm in its sole discretion. Greycroft will make allocation determinations in a fair and reasonable manner using its good faith judgment, taking into account the number of portfolio companies in a Fund, the asset or investment size, the capital commitments of a Fund, the uncalled capital commitments of a Fund, or the number of investors in a Fund. However, the Firm may determine in its sole discretion that allocation in a different manner would be fair and equitable in certain cases that may result in one or more Funds bearing a higher share of expenses. Notwithstanding the foregoing, the portion of an expense allocated to a Fund for a particular service may not reflect the relative benefit derived by the Fund from that service in any particular instance. The Firm may make allocation decisions that result in a General Partner or the Firm bearing a smaller portion of expenses and/or receiving greater amounts of management fees than would have been the case had expenses been allocated pro rata.

As a matter of course, Greycroft will pay expenses on behalf of the Funds and receive reimbursement from the Funds for such expenses.

D. Prepayment of Fees

The Funds invest in private companies on a long-term basis. Accordingly, all fees are paid during the term of the Funds and investors are generally not permitted to withdraw or redeem equity interests in the Funds. Management fees are paid quarterly in advance and pro-rated for any partial quarter.

E. Outside Compensation for the Sale of Securities

Neither the Firm nor its supervised persons accept compensation for the sale of securities or other investment products outside of association with the Firm.



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

As discussed in Item 5, the Firm and its affiliated General Partners generally receive a carried interest allocation on certain profits in particular Funds and client accounts, subject to various threshold provisions as described in detail in each Fund's Governing Documents or sub-advisory agreement, as applicable. To the extent that Greycroft has clients with varying carried interest terms and/or Greycroft personnel receive varying percentages of carried interest from its clients, Greycroft and such personnel are subject to potential conflicts of interest generally in allocating time, services, or functions or to the extent that they are involved in identifying investment opportunities or disposing of positions in existing portfolio companies for its clients relative to which they are entitled to receive a higher or lower carried interest percentage. As described in more detail under "Allocation of Investment Opportunities among Clients," Greycroft seeks to address the potential for conflicts of interest in these matters with allocation policies and practices that provide that transactions and investment opportunities will be allocated to the Funds in accordance with each client's investment guidelines and Fund Governing Documents or sub-advisory agreement, as applicable, as well as other factors that do not include the amount of performance-based compensation received by Greycroft or any personnel.

Performance-based compensation can provide a possible incentive for the Firm to make riskier or more speculative investments on behalf of a client than it might make otherwise. Notwithstanding this potential incentive, the Firm will evaluate investments in a manner that it considers to be in the best interest of its clients, given the clients' investment objectives, investment strategies, suitability of the investment, and risk profile.

## **Item 7 – Types of Clients**

Greycroft provides investment advisory services to pooled investment vehicles which operate as exempt investment companies under the Investment Company Act. The Firm will offer limited partnership interests, membership interests, or other similar equity interests only through non-public transactions in order to maintain exemptions status under the Investment Company Act and, to the extent necessary for any Fund, restrict the number of investors in such Fund. The Firm also provides sub-advisory services on a non-discretionary basis to certain funds managed by third-party investment advisers.

Prospective investors in the Funds must meet eligibility criteria and are subject to certain withdrawal requirements and limitations. Each investor generally must be an accredited investor (as defined in Regulation D promulgated under the Securities Act), and, if applicable, a qualified client (as defined in Rule 205-3 under the Advisers Act) and must meet other criteria as specified in the Governing Documents.

Investors in the Funds may include certain qualified individuals, high net worth individuals, public pensions, corporate pension and profit-sharing plans, corporations, charitable institutions, foundations, endowments, municipalities, private investment funds, trust programs, insurance companies, sovereign funds, foreign funds and other U.S. and international institutions. Funds typically have a minimum investment amount. This amount,

which may vary from Fund to Fund, may be waived by the Fund's General Partner in its sole discretion.

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

### **A. Methods of Analysis and Investment Strategies**

Greycroft uses its industry knowledge and financial expertise to identify companies it believes demonstrate the potential to become global, category-defining companies.

For the early-stage strategy, Greycroft strives to identify markets with emerging secular trends, significant opportunity, and founding teams it believes are best positioned to build market-leading, foundational companies in these markets.

For the growth-stage strategy, Greycroft aims to work closely with CEOs to build independent, public market ready companies. To do this, the team seeks to identify and invest in what it believes will be future global, category-defining companies as early as possible by seeking to develop a deep understanding of market sizes, secular shifts, and public equity valuations.

In addition to the early-stage and growth strategies, Greycroft has also formed, and may continue to form in the future: (1) strategic funds with certain investors that co-invest with the early-stage and growth-stage Funds on specific sectors, industries, or strategies; (2) funds that invest in specific sectors, industries, or strategies but do not generally co-invest with the early-stage and growth-stage Funds; and (3) co-investment vehicles to make investments in specific target companies. Greycroft will employ investment strategies and methods of analysis pursuant to such Funds' Governing Documents.

### **B. Risks of Investments and Strategies Utilized and Certain Conflicts of Interest**

**Investing in private companies involves risk of loss that investors should be prepared to bear, including the risk of loss of the entire investment.**

Investment risk factors and conflicts of interest may include:

***Risk of loss; no assurance of investment return.*** A General Partner's task of identifying opportunities in private operating companies, managing such investments, and realizing a significant return for investors is difficult. Many organizations operated by persons of competence and integrity have been unable to make, manage and realize such investments successfully. There is no assurance that a Fund will be able to invest its capital on attractive terms or generate returns for its investors. There is no assurance that a Fund's investments will be profitable and there is a risk that the Fund's losses and expenses will exceed its income and gains. As such, there is no assurance of any distribution to a Fund's investors prior to, or upon, liquidation of such Fund. Investors should have the ability to sustain the loss of their entire investment in a Fund.

***Investments in early-stage companies.*** Certain Funds will pursue a venture strategy and invest primarily in equity and equity-oriented securities of privately held early-stage Internet and Internet-enabled companies. In some cases, the Funds could be the first source of professional financing for such companies. These companies often have limited or no revenues, may not be profitable, and may require considerable additional capital to develop products, audiences, technologies, and markets, acquire customers and achieve or maintain a competitive position. This capital may not be available at all, or on acceptable terms. Furthermore, the products, audiences, technologies, and markets of such companies may not develop as anticipated, even after substantial expenditures of capital. Such companies may face intense competition, including competition from established companies with much greater financial and technical resources, more extensive development, manufacturing, marketing and service capabilities, and a greater number of qualified managerial and technical personnel. Typically, although a Fund may be represented by a Greycroft employee on a portfolio company's board of directors, each portfolio company will be managed by its own officers (who generally will not be affiliated with the applicable Fund, General Partner, or Greycroft). Portfolio companies may have substantial variations in operating results from period to period and experience failures or substantial declines in value at any stage.

***Investments in late-stage companies.*** The growth stage portfolio companies targeted by certain Funds typically will be at later stages of business maturity than the portfolio companies commonly sought out by early stage venture capital funds, and the Funds' investments may present features that are different from those of typical early stage venture capital financings (including, without limitation, different valuations and risk-return profiles, smaller available ownership percentage amounts, fewer or non-standard investor rights and reduced opportunity to communicate with management), and the Funds may not be able to protect its interests in its portfolio companies to the same extent that early stage venture capital funds have historically done.

***Public company holdings.*** Fund portfolios have and in the future may contain securities and debt issued by publicly held companies. Such investments may subject the 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 the 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 the members of the investment team, and increased costs associated with each of the aforementioned risks.

***Competitive market for investment opportunities.*** The activity of identifying, completing, and realizing attractive investments is competitive. Such competition may come from groups such as institutional investors, investment managers, industrial groups, operating companies, and merchant banks that have greater resources than a Fund and are owned by large and well-capitalized investors. There may be intense competition for investments of the type in which each Fund intends to invest, and such competition may result in less favorable

investment terms than would otherwise be the case. Additional funds with similar investment objectives may be formed in the future by other unrelated parties. It is possible that competition for appropriate investment opportunities may increase, which may also require a Fund to participate in competitive bidding situations, the outcome of which cannot be guaranteed, thus reducing the number of investment opportunities available to such Fund and adversely affecting the terms upon which investments can be made. Participation in competitive bidding situations will also increase the pressure on such Fund with respect to pricing of a transaction. Moreover, a Fund may incur bid, due diligence, or other costs on investments which may not be successful. As a result, such Fund may not recover all of its costs, which would adversely affect returns. There can be no assurance that any Fund will be able to locate and complete attractive investment opportunities which satisfy such Fund's investment objectives. There can, therefore, be no assurance that investments of a Fund will meet all the investment objectives of such Fund, or that such Fund will be able to invest all of its available capital.

***Reliance on portfolio company management team.*** Each portfolio company's day-to-day operations will be the responsibility of such company's management team. Although Greycroft and each General Partner will be responsible for monitoring the performance of each investment by the respective Funds, and the Funds will seek to invest in companies operated by strong management, there can be no assurance that the existing management team, or any successor, will be able to operate the portfolio company in accordance with each Fund's plans. The success of each portfolio company depends in substantial part upon the skill and expertise of each portfolio company's management team. Additionally, portfolio companies will need to attract, retain, and develop executives and members of their management teams. The market for executive talent is, notwithstanding general unemployment levels or developments within a particular industry, extremely competitive. There can be no assurance that portfolio companies will be able to attract, develop, integrate, and retain suitable members of its management team and, as a result, a Fund may be adversely affected thereby. In addition, certain portfolio companies, or employees of portfolio companies, may engage in misconduct or otherwise act or fail to act in a manner that adversely affects such portfolio companies or a Fund, without the knowledge of the applicable General Partner. Instances of fraud, misconduct, and other deceptive or abusive practices committed by the management teams or other employees of portfolio companies in which a Fund has an investment may undermine the applicable General Partner's due diligence, investment monitoring, and compliance efforts with respect to such companies. Further, any discovery or allegation of any such deceptive or abusive practices could adversely affect the valuations of a Fund's investments and may contribute to overall market volatility that may negatively impact such the Fund's investment portfolio.

***Due diligence risks.*** Before making investments, the General Partner of each Fund intends to conduct due diligence that it deems reasonable and appropriate based on the facts and circumstances applicable to each investment. When conducting due diligence and making an assessment regarding an investment, the General Partner will rely on resources available to it, including information provided by the target of the investment and, in some circumstances,

third-party investigations. Outside consultants, legal advisors, accountants, investment banks and other third parties may be involved in the due diligence process to varying degrees depending on the type of investment. Such involvement of third-party advisers or consultants may present a number of risks primarily relating to the General Partner's reduced control of the functions that are outsourced. In addition, if the General Partner and/or Greycroft are unable to timely engage third-party providers, their ability to evaluate and acquire more complex targets could be adversely affected. Furthermore, the due diligence process may at times be subjective, particularly with respect to newly organized companies for which only limited information is available. Accordingly, there can be no assurance that the due diligence investigation that the General Partner or Greycroft will carry out with respect to any investment opportunity will reveal or highlight all relevant facts that may be necessary or helpful in evaluating such investment opportunity. Furthermore, there can be no assurance that such an investigation will result in an investment being successful. There is no guarantee that Greycroft will memorialize its due diligence at all or adequately, which may make it more difficult for Greycroft, a General Partner, or a Fund to withstand regulatory scrutiny or claims that adequate diligence was performed on an investment.

***Expedited transactions.*** Investment analyses and decisions by a General Partner may be undertaken on an expedited basis in order for the applicable Fund to take advantage of available investment opportunities. In such cases, the information available to a General Partner at the time of an investment decision may be limited, and such General Partner may not have access to the detailed information necessary for a full evaluation of the investment opportunity. A Fund may conduct its due diligence activities over a very brief period of time and may assume the risks of obtaining certain consents or waivers under contractual obligations. In addition, a General Partner may rely upon independent consultants or advisors in connection with the evaluation of proposed investments. There can be no assurance that these consultants or advisors will accurately evaluate such investments. While a General Partner expects to negotiate purchase price adjustments, termination rights and other protections, such rights may not be available or, if available, such General Partner may elect not to exercise them.

***Illiquidity within investment portfolio.*** The inherent nature of venture capital investing dictates a significant length of time between the initial investment and realization of gains, if any. Despite some historical examples of accelerated rates of return over a short period of time, venture capital investments, if successful, typically take five to seven years or more from date of investment to reach a state of maturity where liquidity is possible. Each Fund's investment portfolio will consist, to a significant extent, of investments in private companies. The marketability and value of each such investment will depend upon many factors beyond a General Partners' control. Generally, the investments made by a Fund will be illiquid and difficult to value, and there will be little or no collateral to protect an investment once made. At the time of a Fund's investment, a portfolio company may lack one or more key attributes necessary for success (e.g., proven technology, marketable product, complete management team, or strategic alliances). There may be no readily available market for a Fund's investments, many of which will be difficult to value, and the disposal of a portfolio

investment by such Fund may be prohibited or delayed many years from the date of initial investment for legal and/or regulatory reasons. The public market for high technology and other emerging growth companies is extremely volatile. Such volatility may adversely affect the development of portfolio companies, the ability of a Fund to dispose of investments, and the value of investment securities on the date of sale or distribution by such Fund.

**Non-controlling investments.** Each Fund will hold non-controlling interests in portfolio companies and, therefore, may have a limited ability to protect its position in such portfolio companies. However, as a condition of investment in a company, it is expected that appropriate shareholder rights generally will be sought to protect each Fund's investment to the extent possible. There can be no assurance that such minority shareholder rights will be available. Furthermore, each Fund will be significantly reliant on the existing management and board of directors of its companies, which may include representation of other financial investors with whom such Fund is not affiliated and whose interests may conflict with the interests of such Fund.

**Special Purpose Acquisition Companies.** Certain Funds have and may in the future invest in the securities of a special purpose acquisition company (a "**SPAC**"). A SPAC is a company that has no operations, but intends to merge with, acquire or otherwise invest in another company. Investing in such securities involves considerations not usually associated with investing in securities of other types of companies, including, among other risks, the risk that a SPAC may not complete an investment in another company and be forced to liquidate its assets at a loss to the applicable Fund.

**Investments in Third-Party Managed Funds.** Funds have and may in the future invest in pooled investment vehicles managed by third-party investment advisers ("**Portfolio Funds**"). The Portfolio Funds will typically be newly or recently formed entities with no significant operating history upon which to evaluate their likely performance. An investment in a Portfolio Fund is therefore subject to all of the risks and uncertainties associated with any new business, including the risk that the Portfolio Fund will not achieve its investment objectives and that the value of an investment could decline substantially. A Fund's investment in a Portfolio Fund will have a high degree of dependence on the capabilities of the managers of the Portfolio Fund. This includes their abilities to source, structure, manage and create liquidity events for their portfolio companies. Managerial problems, such as departures of key executives, could have severe financial repercussions for the investors. In addition to the management fee and expenses and other compensation payable to Greycroft and/or an affiliate thereof pursuant to the governing documents of each Fund, Portfolio Fund managers and/or equity sponsors will typically have similar, and in some cases higher, levels of management fees, carried interest and expenses a Fund, which will further reduce return on invested capital and, consequently, will lower any returns to the Fund's investors.

**Non-U.S. investments.** Funds may make investments outside of the United States. Foreign investments involve certain risks not typically associated with investing in U.S. securities, including those relating to (i) fluctuations in currency exchange rates and costs associated

with the conversion of investment principal and income from one currency to another; (ii) differences between U.S. and foreign securities markets, including price volatility and relative illiquidity of foreign securities, the absence of uniform accounting, auditing and financial reporting standards, practices and disclosure requirements, and less government supervision and regulation; (iii) adverse political, social, and economic risks, including exchange control regulations, restrictions on foreign investment or repatriation of capital, the risks of political, economic or social instability, risk of sovereign defaults, and the possibility of expropriation or confiscatory taxation; (iv) the possible imposition of foreign taxes on income and gains recognized with respect to such securities; and (v) less developed corporate laws regarding creditors' rights (including the rights of secured parties), fiduciary duties and the protection of investors. Additionally, certain countries in which either Fund may invest have in the past, and may in the future, experience political and social instability that could adversely affect such Fund's investments in such countries. Such instability could result from, among other things, popular unrest associated with demands for improved political, economic, and social conditions and popular unrest in opposition to government policies that facilitate direct foreign investment. Governments of certain of these countries have exercised and continue to exercise substantial influence over many aspects of the private sector. Neither Fund generally intends to obtain political risk insurance. Accordingly, government actions in the future could have a significant effect on economic conditions in such countries, which could affect private sector companies and the return from investments. Exchange control regulations, expropriation, confiscatory taxation, nationalization, restrictions on repatriation of capital, renunciation of foreign debt, political, economic, or social instability or other economic or political developments could adversely affect the assets of a Fund held in a particular country.

**Digital Asset investments.** Funds have acquired and may continue to acquire in connection with its portfolio instruments, or otherwise invest in, cryptocurrencies, decentralized application tokens, protocol tokens, app coins and other similar digital and cryptofinance instruments and assets, the ownership or transmission of which is recorded or verified by a distributed ledger (including a "blockchain" or directed acyclic graph) or other similar technology, and securities and instruments that are related to, derived from or convertible into or exchangeable for such assets or that represent interests in pools of such assets (collectively, "**Digital Assets**"). Digital Assets are loosely regulated and there is no central marketplace for currency exchange. Supply is determined by a computer code or other action, not by a central actor, and prices have been extremely volatile.

**Exposure to material nonpublic information.** Each of the General Partners, the Funds, their respective affiliates and their respective members, officers, directors, employees, or principals may come into possession of material nonpublic information. The possession of such information may limit the ability of the Funds to buy or sell a security or otherwise to participate in an investment opportunity or restrict the ability of the Funds to receive information with respect to certain opportunities. Further, in the current environment, there is an increased risk of insider trading enforcement actions in a variety of jurisdictions and by a number of regulators. Even in the absence of wrongdoing, any such enforcement activity,

or regulatory investigations in connection with a potential enforcement action, could have a material adverse effect on the General Partners or their affiliates, the Funds, or the actual realized returns of investors. The boundaries of the laws applicable to insider trading and practices relating to insider trading enforcement are continuing to evolve, which may impact the Funds' trading and investment activities in ways that are unexpected.

**Portfolio company directorships and other roles.** The Funds are expected to have representatives that serve on the boards of directors of many of their respective portfolio companies. Greycroft personnel are expected to also serve as directors, and may serve as interim executives, or otherwise be associated with companies (including but not limited to portfolio companies of other Funds) that are competitors of certain portfolio companies of a Fund. As a result, such individuals will be subject to fiduciary and other obligations to make decisions that they believe to be in the best interests of the applicable portfolio company. Although in most cases, given that a Fund would generally be a significant investor in such companies, the interests of a Fund and its portfolio companies will be aligned, this may not always be the case, particularly if a portfolio company is in financial difficulty. Generally, the interests of a competitor company would not be expected to be aligned with those of a Fund or such Fund's portfolio companies. This may result in a conflict between the relevant person's obligations to the portfolio company and its various stakeholders, on the one hand, and the interests of the Funds, on the other hand. Such conflict may be addressed to the detriment of the applicable Fund.

In some circumstances, having a representative of a Fund serve as a director of a portfolio company may restrict the ability of the Funds to invest directly in an investment opportunity that also constitutes an investment opportunity for such portfolio company. In addition, certain investment opportunities that might otherwise represent potential investments for a Fund may instead be offered to portfolio companies of predecessor or successor Funds as add-on acquisitions by such portfolio companies to the extent that such opportunities are complementary to and/or enhance such portfolio companies' businesses.

Decisions made by a person associated with Greycroft as a director of a portfolio company may subject Greycroft, its affiliates, or a Fund to claims they would not otherwise be subject to as an investor, including claims of breach of duty of loyalty, securities claims, and other director-related claims.

**Certain Consultants.** The Firm expects to retain, on behalf of itself, a Fund, and/or the portfolio companies, as applicable, operating partners, and other consultants ("**Advisors**"), who may be affiliates of either the Firm or portfolio companies of Funds, third party consultants (including individual consultants and external executives), "board partners," "strategic partners," "executive partners" or "senior advisors." The Advisors may regularly provide services to (i) the Firm or a Fund in relation to the identification, acquisition, holding, improvement, and disposition of portfolio companies, and (ii) portfolio companies of the Funds, including operational aspects of such companies (collectively, the "**Services**").



Pursuant to the applicable Governing Documents, fees and expenses associated with the Services (collectively, the “**Consulting Fees and Expenses**”), may be paid and/or reimbursed by applicable portfolio companies and/or the Firm, and Consulting Fees and Expenses do not offset the management fee unless otherwise provided in the Governing Documents. Consulting Fees and Expenses are expected to include cash fees, profits or equity interests in a portfolio company, a share of proceeds upon sale of a portfolio company, and/or other incentive-based compensation to the Advisor, which may be determined according to one or more methods, including the value of the time (including an allocation for overhead and other fixed costs) of the Advisor, a percentage of the value of the portfolio company, the invested capital exposed to such portfolio company, amounts charged by other providers for comparable services, and/or a percentage of cash flows from such company. Additionally, portfolio companies may provide opportunities for Advisors to invest in such portfolio company and reimburse costs and expenses incurred by Advisors. Such investment opportunities, reimbursements, and other compensation paid to an Advisor will not offset the management fee. Advisors may have a limited partnership or profit interest in a Fund, a General Partner, or in an affiliate of the General Partner. Although the Firm intends to retain Advisors with a view to reducing costs to portfolio companies (and, ultimately, the Fund) and/or improving portfolio company performance, a number of factors may result in limited or no cost savings or performance improvement from such retention. In addition, the General Partner intends to retain only such Advisors which 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.

In addition, various potential and actual conflicts of interest may arise as a result of an Advisor’s other activities. Each Advisor’s time and attention will not be devoted exclusively to the Firm and will be allocated between the Firm and the Advisor’s other activities. Such other activities may be investment advisory in nature, including, but not limited to, serving as an advisor to or affiliate of other investment advisory firms (“**Third-Party Investment Advisors**”) or becoming an investor in funds managed by other investment advisory firms (“**Third-Party Funds**”). The Third-Party Funds may follow a substantially similar investment strategy to that of a Fund. Furthermore, the Advisor may be eligible to receive a portion of the carried interest from the Third-Party Fund in exchange for the Advisor’s services to the Third-Party Investment Advisor. The presence of carried interest creates an incentive for the Advisor to direct the best investment ideas to, or to allocate an investment opportunity in favor of, a Third-Party Investment Advisor or Third-Party Fund that may have more favorable compensation arrangements than the one provided to the Advisor for his or her role as an Advisor for Greycroft. Greycroft seeks to mitigate this conflict by requiring Advisors to disclose the presence of any such arrangements and other conflicts of interest as they arise to Greycroft for consideration; however, there can be no assurances that Greycroft will be able to mitigate this conflict entirely.

**Advisor roles or equity interest.** A Fund may invest in a company in which an Advisor or another individual with a similar role at Greycroft either serves as an employee, officer,

advisor, or in some other capacity or has an equity interest in. In making the investment, the General Partner may consult with the Advisor or other individual with a similar role as part of our diligence and analysis of the investment opportunity. It is expected that the Advisor or other individual with a similar role will have a conflict of interest when consulted by the General Partner. While the General Partner believes that it will generally be able to take this conflict into account when reviewing the investment opportunity, it is possible that the General Partner cannot do so. Furthermore, an Advisor or other individual with a similar role may serve as an advisor or director of a Fund's portfolio company at the request of the applicable General Partner. The Advisor or other individual with a similar role may receive cash or equity consideration from the portfolio company for his or her service. The receipt of this consideration by the Advisor or other individual with a similar role will give rise to a conflict of interest that will not be resolved in favor of the applicable Fund.

**Service providers.** The service providers or their affiliates (including any administrators, lenders, brokers, attorneys, consultants, and investment banking firms) of each Fund, each General Partner, Greycroft, or any of their affiliates are also permitted to be investors in either Fund and/or sources of investment opportunities and co-investors or counterparties therein. This may influence the applicable General Partner in deciding whether to select such a service provider or have other relationships with Greycroft.

**Conflicting fiduciary duties to other funds.** Funds may purchase or dispose of investments in which another investment vehicle affiliated with the General Partner has an interest, or another such entity may purchase or dispose of an investment in a portfolio company of such Fund and may do so at different points in time. Greycroft and the applicable General Partners' managing members or directors owe fiduciary duties to such other affiliated entities as well as to such Fund.

**Allocation of investment opportunities between a Fund and other Greycroft Funds.** Greycroft and its personnel currently, and expect in the future to, manage several other investment funds besides the Funds and investments similar to those in which the Funds will be investing, and are permitted to direct certain relevant investment opportunities to those investment funds and investments. Over time, certain investment opportunities suitable for a Fund are likely also to be suitable for other investment funds sponsored by one of the General Partners or their affiliates. In determining which investment funds should participate in such investment opportunities, subject to the relevant Governing Documents, the applicable General Partner, Greycroft, and their affiliates are subject to potential conflicts of interest among the investors in a Fund and investors in the other investment funds sponsored by the General Partners, Greycroft, or their affiliates. To determine whether a Fund or other investment funds sponsored by the General Partners or their affiliates will participate in the relevant investment opportunity, the applicable General Partner generally assesses whether an investment opportunity is appropriate for each relevant Fund based on the terms of such Fund's Governing Documents, as well as factors including but not limited to: the amount of available cash, including remaining uncalled capital commitments, in the particular Funds; the outstanding liabilities of the applicable Funds; the anticipated need for additional capital

for the portfolio company in question; pace of call or other limitations in the applicable Fund's Governing Documents; the investment objectives, strategies, and guidelines of the applicable Fund, as applicable; any other portfolio investments already held by the applicable Funds, including whether it is an investment opportunity into a portfolio company currently held by a Fund; the fundraising of successor Funds within the same investment platform; the impact that any such transaction may have on the portfolio diversification, risk and volatility of the applicable Funds; tax considerations; liquidity potential; contractual commitments; regulatory obligations; and any other factors deemed relevant by Greycroft. The Funds are expected to invest together with other funds advised by an affiliated adviser of the General Partners in the manner set forth in the relevant Governing Documents and the Firm's allocation policies and procedures. Each General Partner will determine the allocation of investment opportunities among Funds in a manner that it believes is fair and equitable consistent with the General Partner's obligations and may take into consideration factors such as those set forth above. In the event that the available amount of an investment opportunity in which a Fund will invest exceeds an amount appropriate for the Fund, such excess may also be offered to one or more potential investors.

The applicable General Partner's allocation of investment opportunities among a Fund and any of the other investment funds sponsored by the General Partner or an affiliate thereof may not always, and often will not, be proportional. Therefore, such allocations may be more advantageous to the Fund relative to one or all of the other investment funds, or vice versa. While the General Partner will allocate investment opportunities in a way that it believes in good faith is fair and equitable to the Fund, there can be no assurance that the Fund's actual allocation of an investment opportunity, if any, or terms on which the allocation is made, will be as favorable as they would be if the conflicts of interest to which the General Partner may be subject did not exist.

Additionally, conflicts of interest can arise if a Fund makes an investment in the same portfolio company as another investment fund sponsored by the applicable General Partner or an affiliate. For instance, the Fund will likely not invest at the same price, on the same investment terms, or at the same time as such other investment fund or have the same access to credit or employ the same hedging or investment strategies as such other investment fund. This will likely result in differences in returns and associated costs between the Fund and any other investing fund sponsored by the General Partner or an affiliate. There can be no assurance that a Fund and the other investing fund(s) will exit the investment at the same time or on the same terms, and there can be no assurance that the Fund's return on such an investment will be the same as the returns achieved by any other investment fund participating in the transactions. Given the nature of these conflicts, there can be no assurance that the resolution of these conflicts will be beneficial to the Funds.

***Allocation of investment opportunities with "entrepreneurs funds."*** Greycroft has formed an "entrepreneurs fund" with respect to certain Funds that generally co-invests ratably in each portfolio investment of such Fund, subject to legal or other restrictions, based on its committed capital relative to the committed capital of such Fund. Each "entrepreneurs fund"

will invest on terms and conditions that are no more favorable than those applicable to the Funds. Investors in the “entrepreneurs funds” could potentially include, among others, entrepreneurs, portfolio company executives, and employees and advisors of the General Partner or its partners or affiliates. The “entrepreneurs funds” are expected to have preferable economic terms (e.g., it will invest on a no management fee and no carried interest basis) for their investors compared to the applicable Funds. In order to further the intention that the applicable Funds and the “entrepreneurs funds” generally invest proportionately in each investment, each entity may transfer portfolio investments to the other at cost in the event that the relative capital commitments of such entities change at subsequent closings after investments have been made. Subject to any legal or tax restrictions, each applicable Fund and the corresponding “entrepreneurs fund” will generally dispose of investments in any portfolio company at the same time in proportion to their respective investments in such portfolio company. The terms of such dispositions by the “entrepreneurs funds” will be no more favorable than those applicable to the Funds. To the extent practicable, each “entrepreneurs fund” will generally bear its pro rata share of common expenses with the corresponding Fund based on its committed capital relative to the combined committed capital of such Fund and such “entrepreneurs fund.”

Any “entrepreneurs fund” formed by Greycroft will generally participate pro rata in each investment of the corresponding Fund. If Greycroft forms or holds subsequent closings for such “entrepreneurs fund” after investments have been made by such Fund, such Fund is expected to transfer a portion of its existing investments to such “entrepreneurs fund” at cost, which would similarly dilute the interests in such investments of limited partners previously admitted to such Fund. If Greycroft holds subsequent closings for the applicable Fund after investments have been made by the corresponding “entrepreneurs fund,” such “entrepreneurs fund” is expected to transfer a portion of its existing investments to the applicable Fund at cost. In each case, there can be no assurance that the price paid by an “entrepreneurs fund” or the corresponding Fund, as applicable, will reflect the fair value of the portion of any investment sold by either the corresponding Fund to the “entrepreneurs fund” or the “entrepreneurs fund” to the corresponding Fund.

***Need for Follow-On Investments.*** Following a Fund’s initial investment in a given portfolio company, the Fund may be offered follow on opportunities to provide additional funds to such portfolio company or may have the opportunity to increase its investment in a portfolio company. There is no assurance that the Fund will make follow-on investments or that the Fund will have sufficient reserve funds available to make all or any of such investments. Any decision by Greycroft not to make a follow-on investment or the strategies’ inability to make a follow-on investment may have a significant negative impact on a portfolio company or may diminish the Fund’s control or ownership of such portfolio company. Inadequate or excessive reserves could impair the investment returns to the limited partners.

***Cross-fund investments of Seed Companies.*** Early-stage Funds make investments into what the Firm characterizes as “seed” companies, as defined in the Funds’ Governing Documents.

An early-stage Fund may be given an opportunity to make a follow-on investment in a seed company in its portfolio after the capital commitments of that early-stage Fund have been invested, expensed, committed, or reserved beyond a substantial threshold, as set forth in the operating agreement of the applicable early-stage Fund ("**Prior Early-Stage Fund**"). If Greycroft decides to participate in such follow-on opportunity, the Prior Early-Stage Fund will invest an additional amount such that its total investment in the seed company will be at or slightly below the threshold that Greycroft uses to define a "seed" company in accordance with the applicable Funds' Governing Documents. The early-stage Fund that Greycroft is then investing out of ("**Current Early-Stage Fund**") will invest the remaining allocation (if any) in the follow-on opportunity, resulting in both the current Early-Stage Fund and a Prior Early-Stage Fund holding an equity interest in the portfolio company. Greycroft may have a conflict of interest in this circumstance. To the extent Current Early-Stage Fund holds securities or instruments that are different (including with respect to their relative seniority or liquidation preferences) than those held by the Prior Early-Stage Fund, the General Partner of the Current Early-Stage Fund and its affiliates may have conflicting loyalties between its duties to the Prior Early-Stage Fund, the Current Early-Stage Fund, certain of its other affiliates and the portfolio company. In that regard, actions may be taken for the Prior Early-Stage Fund and other affiliated entities that are adverse to Current Early-Stage Fund, and vice-versa, or actions may or may not be taken by the Current Early-Stage Fund due to such Prior Early-Stage Fund's investment, which action or failure to act may be adverse to the Current Early-Stage Fund. There can be no assurance that the terms of or the return on Current Early-Stage Fund's investment will be equivalent to or better than the terms of or the returns obtained by the Prior Early-Stage Fund participating in the transaction. In addition, it is possible that in a bankruptcy proceeding the Current Early-Stage Fund's interest may be subordinated or otherwise adversely affected by virtue of the Prior Early-Stage Fund's involvement and actions relating to its investment. This may result in loss or substantial dilution of the Current Early-Stage Fund's investment while the Prior Early-Stage Fund recovers all or part of the amounts due to them. Furthermore, due to the requirement that the Prior Early-Stage Fund invest until its total investment in the Seed Company will be at or slightly below the applicable threshold as set forth in the Funds' Governing Documents, the Current Early-Stage Fund may not receive its desired allocation for such follow on opportunity which, if occurs, is expected to have a material adverse effect on the performance of the Current Early-Stage Fund. There can be no assurance that the Current Early-Stage Fund's actual allocation of an investment opportunity, if any, or terms on which the allocation is made, will be as favorable as they would be if the conflicts of interest or the Prior Early-Stage Fund's seed company investment threshold to which the General Partner is subject to did not exist.

**Cross-fund investments of successor funds.** The Current Early-Stage Fund may be given an opportunity to make a follow-on investment in a Current Early-Stage Fund seed company after the capital commitments of Current Early-Stage Fund have been invested, expensed, committed, or reserved beyond a substantial threshold, as set forth in the Current Early-Stage Fund's Governing Documents. If Greycroft decides to participate in such follow-on opportunity, the Current Early-Stage Fund may only invest an additional amount such that

its total investment in the Current Early-Stage Fund seed company will be at or slightly below the investment threshold for seed companies, as set forth by the applicable Funds' Governing Documents. The successor funds of the Current Early-Stage Fund may invest the remaining allocation (if any) in the follow-on opportunity. A successor fund of the Current Early-Stage Fund could hold a greater equity interest in the Current Early-Stage Fund seed companies than the Current Early-Stage Fund and receive more proceeds than the Current Early-Stage Fund upon the realization of any such Current Early-Stage Fund seed company. To the extent a successor fund of the Current Early-Stage Fund holds securities or instruments that are different (including with respect to their relative seniority or liquidation preferences) than those held by the Current Early-Stage Fund, the General Partner of the Current Early-Stage Fund and its affiliates will have conflicting loyalties between its duties to the Current Early-Stage Fund, successor funds, certain of its other affiliates and the portfolio company. In that regard, actions may be taken for the successor funds and other affiliated entities that are adverse to the Current Early-Stage Fund, and vice-versa. There can be no assurance that the terms of or the return on the Current Early-Stage Fund's investment will be equivalent to or better than the terms of or the returns obtained by the successor funds participating in the transaction. In addition, it is possible that in a bankruptcy proceeding the Current Early-Stage Fund's interest will be subordinated or otherwise adversely affected by virtue of the successor fund's involvement and actions relating to its investment. It is anticipated that if this occurs, this will result in loss or substantial dilution of the Current Early-Stage Fund's investment while the successor funds recover all or part of the amounts due to them. Furthermore, due to the requirement that the Current Early-Stage Fund invest only until its total investment in the seed company will be at or slightly below the threshold as set forth by the Fund's Governing Documents, the Current Early-Stage Fund may not be able to invest its desired allocation, which may be more than the threshold set forth by the Governing Documents, which may have a material adverse effect on the performance of the Current Early-Stage Fund. There can be no assurance that the Current Early-Stage Fund's actual allocation of an investment opportunity, if any, or terms on which the allocation is made, will be as favorable as they would be if the conflicts of interest or the Current Early-Stage Fund's seed company investment threshold to which the General Partner is subject to did not exist.

***Side letters with certain investors.*** Certain limited partners or other investors may invest pursuant to side letter agreements that have the effect of altering or supplementing the material terms of the applicable Fund. Such arrangements may afford certain investors different terms from the terms of the applicable Fund with respect to carried interest, management fees, expenses, participation in such Fund's Advisory Committee, co-investments, subscription rights to other investment vehicles, the content and frequency of reports, notice of events or information not provided to other limited partners, tax and regulatory structuring and reporting assistance, "most favored nation" rights, rights to meet with the General Partner and/or Firm on a periodic basis, right to participate in co-investment opportunities, and other matters. Investors that have been granted additional access to portfolio information or other enhanced transparency may be able to make investment decisions (including, without limitation, increasing their capital commitments, participating in co-investments, making outside investments or dispositions or entering into

hedging transactions designed to offset exposure to investment positions taken by a Fund), based on information not generally available to other investors, including limited partners. In some cases, such investment decisions made by these investors on the basis of such information could adversely affect the market value of a Fund's portfolio and therefore the value of the Interests. In addition, certain investors may contribute capital to a Fund indirectly through the applicable General Partner, which may reduce the amount of capital that must be contributed by the managing members of the applicable General Partner and the other employees of the Firm and may therefore reduce the economic alignment between such persons and the limited partners. The terms and conditions of any such arrangements will be agreed to solely at the discretion of the Fund, the General Partner and/or the Firm, as applicable, and may be more favorable than those offered to any other limited partner. No General Partner will be required to disclose any such arrangements to other investors unless otherwise required to do so pursuant to applicable law or regulation or the terms of an applicable agreement. Investors that receive such beneficial arrangements (including the right to bear or pay reduced carried interest or management fees or the right to receive a share of the carried interest or management fees earned by such General Partner or the Manager) may include members or affiliates of such General Partner or their family members.

**Business with Investors.** Greycroft may enter into strategic arrangements with a "strategic investor" in a Fund. Under such arrangements, the strategic investor may agree to make an investment in the Fund and/or make investments in one or more successor funds on certain terms and conditions. In exchange for commitments to make an investment in the Fund, the strategic investor may be granted certain rights. Such rights may include, among others, the right to receive a specified percentage of adjusted fee revenues and carried interest proceeds received by the General Partner, the right to appoint a representative to the advisory board of the Fund, certain information rights and certain other rights that are in addition to, and will likely be more favorable than, the rights of other limited partners in the Fund. Affiliates of the strategic investor may serve as an Advisor, providing services to the Fund or Greycroft in relation to its activities, including identification, acquisition, holding, improvement, and disposition of portfolio companies of the Fund, or to one or more portfolio companies of the Fund, including operational aspects of such companies. In his or her capacity as an Advisor providing the Services, the affiliate of the strategic investor may have an incentive to advise a portfolio company, the Fund, or Greycroft to take an action that favors such strategic investor. This may give rise to a conflict of interest as such action may not benefit the Fund or the other limited partners. No strategic investor or an affiliate of a strategic investor will be involved in the management of a Fund or be responsible for a Fund's performance, and no fiduciary duty will be owed by a strategic investor to any Fund.

**Co-investments.** A General Partner and its affiliates may, from time to time, offer co-investments to one or more co-investors, including Advisors, Alan Patricof (Chairman Emeritus of Greycroft), and certain limited partners, when such General Partner deems it appropriate and consistent with the interests of the applicable Fund. Such co-investments will reduce the amount such Fund can invest in any given opportunity and the applicable General Partner may be unable to make as large of an investment on behalf of such Fund as

otherwise might be desirable. In addition, the allocation of investments between co-investors and such Fund will be at the applicable General Partner's discretion and if the co-investors receive more favorable economic terms for the same investment than such Fund, the applicable General Partner will have a conflict of interest with respect to allocating investments between the co-investors and such Fund. The General Partners are not obligated to arrange co-investment opportunities or to offer any investor the opportunity to co-invest and no such investors or beneficial owners will be obligated to participate in such an opportunity if offered. Any investment by co-investors alongside a Fund will be subject to approval by the applicable General Partner in its sole discretion, on a case-by-case basis and by determining whether such co-investment is appropriate. If approved, the applicable General Partner will allocate an investment among a Fund, on the one hand, and the co-investors, on the other hand, in its sole discretion, taking into account factors including, but not limited to: (i) the ability of a co-investor to commit to invest in a short period of time, in light of the timing constraints applicable to the co-investment; (ii) the ability of a co-investor to commit to a significant portion of such opportunity; (iii) whether a co-investor is a strategic investor, which may include relevant experience in a particular sector or existing relationships with management or other relevant parties; (iv) the size of a co-investor commitment to or investment in such Fund; (v) a co-investor's tenure as an investor with the General Partners or their affiliates; (vi) the portfolio composition and concentration risk for the Fund; and (vii) tax and regulatory considerations relevant to a co-investor and the particular co-investment opportunity, etc.).

**Bridge financings.** From time to time, Funds enter into bridge financings with portfolio companies, which will generally be structured on a short-term, unsecured basis in anticipation of a future issuance of equity or long-term debt securities. Such bridge financings would typically be convertible into a more permanent, long-term security. However, for reasons not always in a Fund's control, such long-term securities may not be issued, and such bridge financings may remain outstanding. In such event, the interest rate on such instruments may not adequately reflect the risk associated with the unsecured position taken by such Fund.

**Lines of Credit.** Certain Funds may utilize a capital call line of credit to borrow to bridge capital calls as set forth in the applicable Governing Documents. Though the General Partner intends to use the Fund's capital call line of credit primarily for administrative convenience to reduce the overall number of capital calls from the investors and avoid having excess cash on hand, the Fund's internal rate of return is expected to be higher than it would be in the absence of such capital call line of credit, since the Fund's internal rate of return will be based on the time investor contributions are made and use of a capital call line of credit would generally delay such contributions into a later period in time. Each Fund's capital call line of credit will provide the lender with certain rights, which may include, among others, the right to call capital from the investors in the event of a default and, in the event of a failure by an investor to fully fund its capital contributions to the Fund when due, the right to exercise certain default remedies directly against such investor. A Fund's capital call line of credit may



also include restrictions on investors' rights to transfer their Interests, including in certain cases subjecting transfers to the prior approval from the lender.

**Impact of Borrowings.** Borrowing will directly impact (either positively or negatively) the returns of a Fund and increase the risks associated with an investment in a Fund. Calculations of net and gross internal rates of return in respect of investment and performance data included in the Governing Documents and a Fund's marketing materials are based on the payment date of capital contributions received from the applicable limited partner or timing of investment inflows and outflows received or made by the Fund. In instances where a Fund utilizes borrowings under a subscription-based credit facility or other credit line, use of such facility or other leverage may result in a higher reported internal rate of return (on an investment level and/or fund-level) than if the facility had not been utilized because such borrowings were used in lieu of capital contributions or in advance of related capital contributions that would only be made at a later date. Use of a subscription-based credit facility may present conflicts of interest as a result of certain factors and the General Partner may make distributions prior to the repayment of outstanding borrowings. Moreover, the costs and expenses of any such borrowings will generally be borne by the applicable Fund, which will increase the expenses borne by the applicable investors and would be expected to diminish net cash-on-cash returns.

**Portfolio Company Leverage.** The Funds' investments may be permitted to borrow without any limitation, which may cause certain investments a higher risk of loss. The cost and availability of leverage may depend on the market, which is difficult to predict. At times, it may be difficult for investments to obtain the necessary leverage. In the face of rising inflation, rising interest rates may also have a negative effect on an investments ability to effectively obtain the desired leverage.

**Involuntary Withdrawal.** A General Partner may require the complete or partial withdrawal of a limited partner from the applicable Fund in certain circumstances. Any such withdrawal would likely reduce the amount of capital available to the Fund for investment or other activities. Each remaining limited partner may be called to contribute capital to fund the remaining investments after such withdrawal in an amount that is disproportionate to its share of the committed capital to the Fund prior to the withdrawal, potentially increasing such limited partner's share of losses. As a consequence of this, the aggregate returns realized by the participating limited partners could be adversely affected.

**Reliance on concentrated limited partner capital commitments.** The capital committed to a Fund may be highly concentrated in commitments by a small number of anchor limited partners. This concentration may be accompanied by certain risks for the other limited partners of such Fund. For example, in the event an anchor limited partner defaults, the Fund's ability to implement its investment strategy and achieve its investment objectives is expected to be limited. In addition, should an anchor limited partner have the right to excuse itself from participating in a certain investment or withdraw from the Fund as a limited

partner and exercises such right, each remaining limited partner may be called to contribute capital to fund that particular investment or the remaining investments, as applicable, in an amount that is disproportionate to its share of committed capital to the Fund, potentially increasing such participating limited partner's share of losses. As a consequence of these or other factors limiting an anchor limited partner's participation in investments, the aggregate returns realized by the participating limited partners could be adversely affected.

**Conflicts Relating to Relationships of the Greycroft Parties.** Subject to the Governing Documents, Greycroft, each General Partner, and their respective directors, employees and affiliates (collectively, the "**Greycroft Parties**") generally are permitted to, in their discretion, recommend, and have recommended, to a Fund or to a Fund portfolio company (in response to a solicitation for a recommendation or otherwise) that it contract for services with (i) a Greycroft Party or a related person of a Greycroft Party (including but not limited to a portfolio company of a Fund) or (ii) an entity with which a Greycroft Party or a member of their personnel has a relationship or from which a Greycroft Party or their personnel otherwise derives financial or other benefit (an "**Affiliate Service Providers**"). The Greycroft Parties have a financial incentive to utilize Affiliate Service Providers, and in many cases have sole discretion to determine the fees and other terms for these services, and there is not an independent third-party involved to evaluate the fairness of the arrangements. As a result, although fees charged by Affiliate Service Providers would be at rates that the Adviser believes, in its sole discretion, to be within the range of general fair market rates from non-affiliate third parties providing similar services, such fees nevertheless could be greater than those that would be charged by outside parties providing similar services. There can be no guarantee that the use of an Affiliate Service Provider will have a positive impact on a Fund or its investments, or that they will produce the same or better results than those that could have been achieved by unaffiliated service providers. In addition, certain Greycroft Parties may also buy securities in other investment vehicles (including private equity funds, venture capital funds, hedge funds, real estate funds and other similar investment vehicles) which could be potential competitors of a Fund. Conflicts of interest generally will be resolved by Greycroft, as applicable, in its sole discretion, except in limited circumstances where the approval of a third party, committee or representative is required under a Fund's Governing Documents or by law.

**Difficulty in Valuing Portfolio Companies.** The Funds' investments consist primarily of private companies, which may cause difficulty in valuing certain investments. In certain instances, there may be no comparable market. While Greycroft maintains a valuation policy to address these risks, there may be circumstances where there is no assurance that the valuations demonstrate true fair market value. Subject to market factors and the nature of the investments held by the Funds, there can be no assurance that the valuations determined by Greycroft, and its affiliates will represent the realized value by the Funds upon disposition of an investment.

**Foreign investment review.** Pursuant to the Defense Production Act of 1950, as amended (the "**DPA**"), the U.S. Government has the authority to restrict and prevent foreign

acquisitions of, and investments in, U.S. companies (collectively, “**Foreign Investments**”) on national security grounds, actions that could adversely affect a Fund’s investments. The Committee on Foreign Investment in the United States (“**CFIUS**”), a U.S. Government interagency committee, conducts national security reviews of Foreign Investments and, in the interest of national security, may impose mitigation (*i.e.*, restrictions) on such investments. CFIUS-imposed mitigation can take a variety of forms, including (i) restrictions on the foreign investor’s access to the U.S. company’s technology or facilities, (ii) restrictions on the foreign investor’s role in the governance or decision making of the U.S. company, (iii) mandatory divestiture of a foreign limited partner’s capital contribution and termination of its participation in the Fund, (iv) mandatory U.S. Government approvals of changes to the U.S. company’s suppliers or the locations of its source code repositories, and (v) the appointment of a U.S. Government-approved monitor to verify the transaction parties’ compliance with the mitigation. The President of the United States (the “**President**”) may block a Foreign Investment that threatens to impair U.S. national security or order a foreign investor to divest of its Foreign Investment.

If a Fund is controlled by foreign persons or has foreign limited partners, its investments are potentially subject to CFIUS review. Foreign limited partners’ indirect investments in U.S. companies through a Fund also could be subject to CFIUS review. Finally, subsequent proposed investments, acquisitions, or mergers or other transactions related to a Fund’s portfolio companies involving foreign persons also could be subject to CFIUS review.

Parties to transactions within CFIUS’s jurisdiction, potentially including a Fund, may choose to submit a joint voluntary notice to CFIUS for its review. In addition, CFIUS may unilaterally initiate a review of a transaction or may request that the parties file a notice. In 2018, the Foreign Investment Risk Review Modernization Act (“**FIRRMA**”) revised the CFIUS process to (i) expand CFIUS’s jurisdiction—notably to certain non-controlling investments in U.S. companies that are involved in critical technologies or critical infrastructure or that hold sensitive personal data of U.S. citizens—and (ii) mandate filings in certain instances. Effective February 13, 2020, final rules implementing FIRRMA (and broadly reflecting the CFIUS “pilot program” in place since 2018) will mandate filings for certain Foreign Investments in U.S. critical technology companies. Some of the Fund’s investments could fall within this expanded jurisdiction.

Due to these CFIUS considerations, a Fund could incur increased costs, including legal fees, related to (i) evaluating whether a particular portfolio investment or other transaction related to a Fund portfolio company requires the submission of a filing to CFIUS, (ii) evaluating whether the submission of a joint voluntary notice to CFIUS is warranted, (iii) drafting a filing and submitting it to CFIUS, (iv) undergoing a CFIUS review or investigation, (v) negotiating and implementing CFIUS-imposed mitigation, and (vi) complying with any Presidential order. Submission of a filing to CFIUS in connection with an investment or other transaction related to a Fund portfolio company also could result in significant delays, as the CFIUS review and investigation process can last months (with the possibility of a shorter timeframe for mandatory filings under the CFIUS pilot program). CFIUS could condition its

clearance of a Foreign Investment on adjustments to the terms of such Foreign Investment or other mitigation (including, if applicable, exclusion of a foreign limited partner of a Fund from a Foreign Investment), and these conditions could adversely affect one or more of the Fund's portfolio companies and decrease the Fund's return on its investment in any such portfolio company. In rare cases, the President could block a Foreign Investment or order a Fund to divest of a Foreign Investment. Finally, a Fund may choose not to make certain investments, or a portfolio company may choose not to solicit or pursue certain subsequent investments or other transactions, that are otherwise attractive based on an evaluation of the associated CFIUS risks.

**Data Privacy.** As privacy and data protection laws are implemented throughout the United States and abroad with varying rules and regulations, compliance with such laws and regulations could incur additional costs to the Funds. Compliance with current and future privacy laws and regulations may significantly impact the Funds and the underlying investments. Failure to comply with privacy laws and regulations could subject the Funds and the underlying investments to fines, costs and other penalties.

**Alternative Data Providers.** Greycroft may engage with alternative data providers throughout the investment process. Alternative data is used by Greycroft to better understand market trends and may not be reliable. There can be no guarantee that the use of alternative data will result in successful investment strategies or decision making. Additionally, alternative data providers have come under the increased scrutiny of regulators and Greycroft's use of alternative data could cause liability for the Funds.

**Third-Party Risk.** A Fund's operations and those of its portfolio companies, service providers and other third parties with whom Greycroft does business could be subject to changes in economic conditions, including, for example, interest rates, credit availability, inflation rates, industry conditions, government regulation, competition, technological developments, political and diplomatic events and trends, tax and other laws, telecommunications failures, liquidity concerns, and innumerable other natural or man-made disasters or business interruptions, which can affect the Fund's operations and the Fund's investments and prospects materially and adversely. None of these conditions is within a General Partner's control, and it may not be able to effectively anticipate these developments. These factors may affect the volatility and the liquidity of a Fund's investments. Unexpected volatility or illiquidity could impair a Fund's profitability or result in losses.

**Financial Institution Risk; Distress Events.** An investment in a Fund is subject to the risk that one of the Fund's banks, brokers, hedging counterparties, lenders or other custodians of some or all of the Fund's assets (each, a "**Financial Institution**") fails to perform its obligations or experiences insolvency, closure, receivership or other financial distress or difficulty, similar to that experienced by Silicon Valley Bank and Signature Bank in March 2023 (each, a "**Distress Event**"). Distress Events can be caused by factors including eroding market sentiment, significant withdrawals, fraud, malfeasance, poor performance or accounting irregularities. In the event a Financial Institution experiences a Distress Event,

Greycroft, a Fund and/or its portfolio companies may not be able to access deposits, borrowing facilities or other services for an extended period of time or ever. Although assets held by regulated Financial Institutions in the United States frequently are insured up to stated balance amounts by organizations such as the Federal Deposit Insurance Corporation (“**FDIC**”), in the case of banks, or the Securities Investor Protection Corporation (“**SIPC**”), in the case of certain broker-dealers, amounts in excess of the relevant insurance are subject to risk of loss, and any non-U.S. Financial Institutions that are not subject to similar regimes pose increased risk of loss. Although in recent years governmental intervention has resulted in additional protections for depositors, there can be no assurance that governmental intervention will be successful or avoid the risk of loss, substantial delays or negative impact on banking or brokerage conditions or markets.

Any Distress Event has a potentially adverse effect on the ability of Greycroft to manage a Fund and its investments, and on the ability of Greycroft, the Fund and/or its portfolio companies to maintain operations, which in each case could result in significant losses and un consummated investment acquisitions and dispositions. Such losses have the potential to cause such Fund to pay fees and expenses in the event the Fund is not able to close a transaction (whether due to the inability to draw capital on a credit line provided by a Financial Institution experiencing a Distress Event, the inability of investors to make capital contributions or otherwise), as well the inability of the Fund to acquire or dispose of investments at prices that the applicable General Partner believes reflect the fair value of such investments and/or the inability of portfolio companies to make payroll, fulfill obligations and maintain operations. Although Greycroft expects to exercise contractual remedies under the agreements with Financial Institutions in the event of a Distress Event, there can be no assurance that such remedies will be successful or avoid losses or delays.

Many Financial Institutions require, as a condition to using their services or otherwise, that Greycroft and/or a Fund maintain all or a set amount or percentage of their respective accounts or assets with such Financial Institution or its affiliate(s) (each, a “**Custodian**”), which heightens the risks associated with a Distress Event with respect to such Custodians. Although Greycroft seeks to do business with Custodians that it believes are creditworthy and capable of fulfilling their respective obligations to a Fund, Greycroft is under no obligation to use a minimum number of Custodians with respect to a Fund, or to maintain account balances at or below the relevant insured amounts.

**Public health risks and COVID-19.** Epidemics and pandemics may materially and adversely affect the global economy and the Fund’s performance. A new coronavirus first identified in late December of 2019 (officially named coronavirus 2019 by the World Health Organization and abbreviated “**COVID-19**”), spread rapidly across much of the world, including the United States, resulting in restrictions on travel and group activities, which in turn resulted in the cancellation or rescheduling of many events, and the extended shutdown of certain business facilities, universities, and schools. In addition, since the outbreak of COVID-19, commerce in affected countries has slowed considerably. Despite the increased availability of vaccines,

particularly in the United States, it is unknown how global supply chains, public and private capital markets, and the Fund's portfolio companies may be affected if the epidemic continues for an extended period of time globally. The continued persistence of COVID-19 may cause the Fund's portfolio companies to incur loss of revenue and additional expenses and delays, thereby leading to a material adverse impact on their businesses, operating results and financial condition. In addition, the continued persistence of COVID-19 may make the Fund's portfolio companies' access to equity or debt investment capital substantially more difficult or only on substantially less favorable terms than customarily available, thereby leading to a material adverse impact on their businesses, operating results and financial condition, as well as a material adverse impact on the Fund's relative position in the Fund's portfolio companies' capital structures and potential investment returns. If unabated, this continued existence of COVID-19 throughout the world may also create global economic uncertainty, which in turn may cause the Fund's portfolio companies or their partners, suppliers and potential customers to closely monitor their costs and reduce their spending budget and may cause the Fund's portfolio companies' equity or debt investors to reduce, slow or eliminate their investment or lending activities. The availability of investment opportunities of the Fund may be adversely impacted by reductions of economic activity as a result of COVID-19, including as a result of the responses of businesses and local and national governments. The impact of COVID-19 could be significant on the economic environment of markets in which the Fund invests, which could affect the availability, purchase price, and returns of the Fund's portfolio investments. The availability of equity or debt investment capital for the Fund's portfolio companies may be adversely impacted by uncertainties in financial markets and reductions of economic activity as a result of COVID-19, including as a result of the responses of businesses and local and national governments. The extent to which COVID-19 impacts the Fund's results will depend on future developments, which cannot be predicted with any certainty, including new information which may emerge concerning the severity of COVID-19, the ultimate geographic spread of COVID-19, the duration of the outbreak, travel restrictions imposed, business closures or general business disruption, and the actions taken throughout the world, including in domestic markets, to contain COVID-19 or treat its impact. As a result, the performance of the Fund and its portfolio companies could be adversely affected.

**Russia-Ukraine Conflict.** The ongoing conflict between Russia and Ukraine may have significant negative impact on the overall investment market, which may affect the Funds. This impact may result in lower revenue, growth, operational losses, limited available capital and may cause additional disruption on the financial markets.

**General Economic and Political Climate.** Additional regulatory, tax or legal changes to the markets are likely to occur throughout the lifetime of the Funds and such changes may have a negative effect on the success of the Funds or underlying investments. Interest rates, inflation, political instability, economic volatility, political unrest, and natural disasters could increase the inherent risks of the Funds or the Funds' underlying investments. Conditions of uncertainty may reduce the opportunity to source investment opportunities slowing results of future investments and resulting in longer holding periods for certain investments.

**The foregoing list of risk factors and conflicts of interest does not purport to be a complete enumeration or explanation of every risk or disclosure of conflicts of interests involved in an investment with the Firm. Prospective investors should read the entire Brochure as well as the Governing Documents and other materials that may be provided by the Firm and consult with their own advisers prior to engaging the Firm's services.**

### **Item 9 – Disciplinary Information**

The Firm and its management persons have not been a party to any legal or disciplinary events that would be material to an investor's or prospective investor's evaluation of its investment advisory business or the integrity of its management.

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

A. Registration as a Broker-Dealer or Broker-Dealer Representative

Neither the Firm nor its management persons are registered as a broker-dealer or broker-dealer representative.

B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Adviser

Neither the Firm nor its management persons are registered as futures commission merchant, commodity pool operator, or a commodity trading adviser.

C. Relationships Material to this Advisory Business and Possible Conflicts of Interest

As described in Item 4, the Firm is affiliated with the General Partners. The Firm serves as the investment manager to the Funds, and each General Partner receives carried interest-based compensation from the respective vehicle. Certain of the Firm's partners, officers, employees, affiliates, and their respective family members may invest directly in the Funds. Investments in the Funds made by these persons may not be subject to the management fees or carried interest-based compensation described in Item 5 above.

The first two growth strategy Funds previously invested in portfolio companies alongside funds managed by an unaffiliated investment adviser. As part of the arrangement with the unaffiliated investment adviser, investments into portfolio companies were split between the applicable Greycroft growth strategy Fund and a growth strategy fund managed by the unaffiliated investment adviser. As a result of this arrangement, the Greycroft growth strategy Funds may not have been able to invest its desired allocation, which may be more than the allocation set forth by the terms of the arrangement and may have a material adverse effect on the performance of the applicable Greycroft growth strategy Funds. Greycroft makes independent decisions on the portfolio companies invested into by the applicable Greycroft growth strategy Funds as part of this arrangement, as does the unaffiliated investment adviser for its funds. Furthermore, Greycroft and the unaffiliated investment adviser act as co-managers of certain co-investment vehicles which were formed to make investments into

specific portfolio companies. Subsequent growth strategy Funds are not subject to a similar arrangement and Greycroft does not anticipate this arrangement to exist for future growth strategy Funds.

Greycroft's employees or other supervised persons work on and may in the future work on other projects and outside activities (other than for Greycroft), including projects for their personal benefit, which may be investment advisory in nature. Due to their outside activity, such individuals will not be able to devote all of their time to the Funds and may be compensated for their activities. The Funds generally will receive no benefit from the services such individuals provide to others. Such individuals may also become aware of business opportunities in which the Funds will not be given an opportunity to participate.

Alan Patricof, Chairman Emeritus of Greycroft, maintains an interest (directly or indirectly) in certain of the General Partners and receives a portion of carried interest from the Funds in connection with such interest. Mr. Patricof is not currently on Greycroft's management committee or the Firm's investment committee. However, Mr. Patricof is engaged by Greycroft to manage certain investments for the Funds. Mr. Patricof is the founder of a non-affiliated investment adviser that serves as an investment adviser to one or more private funds that are not affiliated with Greycroft or the Funds (the "**Primetime Funds**"). The Primetime Funds currently seek investment opportunities that are narrower in scope of the Funds' investment strategies. Although it is not expected to be a regular occurrence, there may be investment opportunities presented to Mr. Patricof and/or Greycroft that are suitable for the Primetime Funds and the Funds. Greycroft seeks to mitigate this conflict by establishing a policy whereby Mr. Patricof must present all investment opportunities suitable for the Funds to Greycroft for consideration. Further, the Primetime Funds may invest alongside certain the Funds in portfolio companies. All investment decisions made by Greycroft will be in the best interests of the Funds. Greycroft also treats Mr. Patricof as an "access person" under Greycroft's Code of Ethics. Based on the foregoing, Greycroft believes potential conflicts are mitigated. Greycroft has created policies that specifically address and manage these and other potential conflicts.

Dana Settle, a Greycroft management committee member and investment committee member, is on the investment committee of an unaffiliated fund of funds manager that is based in New Zealand. Although Greycroft has previously made investments in funds managed by unaffiliated managers, such fund of funds investments, especially those into non-US based funds, never was, nor is currently, contemplated to be a Fund's primary investment strategy. In addition, the Funds' investment objectives are materially different than the investment objectives of the funds managed by the New Zealand fund of funds manager where Ms. Settle serves on the investment committee. Nonetheless, Greycroft has created policies that address and manage these and other potential conflicts.

Employees of the Firm may serve as directors and officers of certain portfolio companies and, in that capacity, will be required to make decisions that consider the best interests of such portfolio companies and their respective shareholders. In certain circumstances, for example, involving bankruptcy or near-insolvency of a portfolio company, actions that may be in the best interests of the portfolio company may not be in the best interests of the Funds that are



shareholders, and vice versa. Accordingly, in these situations, there will be conflicts of interest between such individual's duties as an employee of the Firm and such individual's duties as a director or officer of such portfolio company. Greycroft has created policies that address and manage these and other potential conflicts.

Conflicts and disclosures related to Greycroft's engagement of Advisors is described in Item 8 – "Certain Consultants" and Item 8 – "Advisor Roles or Equity Interest".

If Greycroft decides not to invest in an opportunity presented to Greycroft by Advisors, Advisors may form, and have formed in the past, unaffiliated special purpose vehicles to invest in the opportunity. In addition, if a portfolio company in which Greycroft has taken its full allocation has additional capacity available in its fundraising round, the portfolio company may offer the opportunity to Advisors who may form, and have formed in the past, special purpose vehicles to invest in the opportunity. These special purpose vehicles are formed and managed by the Advisor and are unaffiliated with Greycroft and the Funds. The direct investments are negotiated by the Advisors separately with the portfolio company. Such investments are typically made by the Advisors on different terms than the Funds, some of which may be more beneficial to the special purpose vehicles managed by the Advisors than the Funds. Advisors may be offered the opportunity by the portfolio company due to their affiliation with Greycroft. Conflicts could arise, for example, when a Advisors provides Services to the portfolio company and the same Advisor is managing an unaffiliated special purpose vehicle invested into the same portfolio company. The Advisor could be presented with decisions made as part of the Services on behalf of a Fund and the special purpose vehicle the Advisor are in conflict.

A Fund will make investments in portfolio companies that compete in the same industry as portfolio companies held by that Fund or another Fund. Conflicts could arise, for example, in the event where Greycroft is in a position to make decisions on behalf of a portfolio company that would be adverse to a portfolio company in the same Fund or another Fund. Relationships developed in connection with one or more Funds can result in deal flow for other Funds. A Fund may also make investments in the same portfolio companies held by other Funds. Conflicts could arise, for example, in the event that more than one Fund holds different securities in the same portfolio company (including with respect to their relative seniority, and whether such securities are purchased contemporaneously or otherwise). Greycroft could be presented with decisions when the interests of the two Funds are in conflict. If a portfolio company in which one Fund has an equity investment and another Fund has a debt investment, Greycroft may have conflicting loyalties between its duties for one Fund versus another Fund. In that regard, actions may be taken for one Fund that is adverse to such other Fund.

Greycroft and its affiliates may receive and have received services, products, and/or discounts from the portfolio companies (or their related persons) for their own business operations or other outside business activities. Fees and expenses for such arrangements are negotiated on an arms-length basis. However, since certain of the Funds may have an

investment with such portfolio company, using such service presents a conflict of interest. For example, the receipt of such services, products, and/or discounts from a portfolio company may influence Greycroft's investment decisions, presenting a conflict between Greycroft's economic interest and what is in the best interests of the Funds.

Greycroft and its affiliates have in the past and may in the future enter into transactions in the ordinary course with a portfolio company (for example, without limitation, providing non-discretionary sub-advisory services to a fund where the portfolio company serves as the investment adviser, in which Greycroft or its affiliates earn a management fee and/or carried interest for its sub-advisory services). In addition, Greycroft and its affiliates may engage in business opportunities arising from a Fund's investment in a portfolio company (for example, without limitation, entering into a joint venture with a portfolio company or making a proprietary investment in a portfolio company). These situations create a conflict of interest, as such interests may be a benefit arising from the Fund's investment and may vary from the applicable Fund's interest (e.g., whether to make a follow-on investment and, if so, how much should be allocated to the Fund). Greycroft seeks to mitigate such conflicts by making all investment decisions in a manner consistent with the Firm's investment allocation policies and procedures.

Greycroft may introduce and has introduced a portfolio company (or a related person) in which a Fund has invested to a portfolio company (or a related person) in which another Fund has invested, and such portfolio companies (or their related persons) may do, or have done, business with each other, which may be viewed as a potential conflict of interest. Greycroft may cause or recommend, and have caused or recommended, that a Fund or portfolio company use a particular service provider (including related persons of investors, co-investors, or third parties) for which Greycroft may or have obtained, for a Fund or portfolio company or for Greycroft or its affiliates, products, and services from such service provider. In connection with such referrals of service providers, Greycroft or its affiliates, the Funds, or the portfolio companies may also receive, or have received services, at no cost or at a discount. Such relationships or discounts may incentivize Greycroft to recommend such service providers, presenting a conflict between Greycroft's economic interest or its interest in maintaining such relationships and what is in the best interests of the Funds (e.g., using high quality or low-quality service providers).

Greycroft has in the past and may in the future offer certain strategic investors the ability to participate in Greycroft-sponsored educational presentations and seminars, networking events, industry group meetings, and corporate introductions, which may not be offered to all investors. Participation in such events may provide access to information not available to other investors, and the participating investor may use such information to make investment decisions (including, without limitation, increasing their capital commitments, participating in co-investments, making outside investments or dispositions, or entering into hedging transactions designed to offset exposure to investment positions taken by a Fund) based on information not generally available to other limited partners. In some cases, such investment decisions made by these participating investors on the basis of such information could

adversely affect the market value of a Fund's portfolio and therefore the value of the Fund's interests.

Greycroft has also formed, and may continue to form in the future: (1) strategic funds with certain investors that co-invest with the early-stage and growth-stage Funds on specific sectors, industries, or strategies; (2) funds that invest in specific sectors, industries, or strategies but do not generally co-invest with the early-stage and growth-stage Funds; and (3) co-investment vehicles to make investments in specific target companies. Greycroft may offer, in its sole discretion, an investment in such vehicles to certain strategic investors to induce investment into or induce investment of additional amounts in other Funds or for other strategic reasons. These opportunities to invest in such vehicles may not be offered to other investors. Greycroft, in its sole discretion, may waive or reduce the management fees or carried interest payable by such investors in the vehicles being offered. Such offers give rise to conflicts of interest as described more fully in Item 8. – "Allocation of investment opportunities between a Fund and other Greycroft Funds." Greycroft seeks to mitigate such conflicts by making all investment decisions in a manner consistent with the Firm's investment allocation policies and procedures.

Greycroft and its affiliates will deal with all conflicts of interest using their best judgment. Certain procedures for resolving specific conflicts of interest are set forth below; however, Greycroft will not necessarily follow such procedures in any particular case. When conflicts arise, the following factors may mitigate, but will not eliminate, conflicts of interest:

- A Fund will not make an investment unless the Firm believes that such investment is an appropriate investment considered solely from the viewpoint of such Fund.
- Many conflicts of interest will generally be resolved by set procedures, restrictions, or other provisions contained in the relevant Fund Governing Documents or Greycroft's policies.
- Generally, each Fund has established an advisory committee, consisting of representatives of investors not affiliated with Greycroft. The advisory committees meet as required to consult with Greycroft as to certain potential conflicts of interest. On any issue involving actual conflicts of interest, Greycroft will be guided by its good faith discretion.
- Where Greycroft deems appropriate, unaffiliated third parties may be used to help resolve conflicts, such as the use of an investment banker to opine as to the fairness of a purchase or sale price.

**D. Selection of Other Advisors or Managers**

The Firm does not utilize nor select other advisors or third-party managers. All assets are managed by the Firm.

## **Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

### **A. Code of Ethics**

Consistent with the requirements of Rule 204A-1 of the Advisers Act, Greycroft has adopted a Code of Ethics (the “**Code**”), which sets forth standards of conduct that are expected of Greycroft’s “access persons,” as defined in the Advisers Act, and addresses conflicts that arise from personal trading. The standard of business conduct set forth in the Code takes into account the Firm’s status as a fiduciary to its clients and requires the Firm’s employees and other access persons to place the interests of the Firm’s clients above their own interests and the interests of the Firm.

In serving its clients, the Firm strives to avoid conflicts of interest or the appearance of conflicts of interest in connection with the personal trading activities of an access person and client securities transactions. When access persons engage in personal securities transactions, they must adhere to the following general principles, as well as to the Code’s specific provisions: (a) at all times the interests of the Firm’s clients must be put above those of the individual; (b) personal transactions must be conducted consistent with the Code in manner that avoids any actual or potential conflict of interest; and (c) no inappropriate advantage should be taken of any position of trust and responsibility.

Access persons have trading restrictions and reporting obligations for their personal securities transactions. Each access person is provided with a copy of the Code and must annually certify that they have complied with its provisions. In addition, any access person who becomes aware of any potential violation of the Code is obligated to report the potential violation to the Chief Compliance Officer.

Greycroft will make available a copy of its Code of Ethics to investors and prospective investors upon request. Such a request may be made by submitting a written request to [compliance@greycroft.com](mailto:compliance@greycroft.com).

Greycroft and its affiliates may come into possession of material non-public information related to public companies which, if disclosed, could sway an investors decision to buy or sell certain securities. Greycroft and its affiliates are prohibited from improperly disclosing or using material non-public information for the benefit of the Funds or the personal benefit of any individual.

### **B. Recommendations Involving Material Financial Interests**

Greycroft does not, as a general practice, recommend that a Fund invest in companies in which Greycroft affiliates or employees have a material ownership interest. There may be situations in which a Greycroft employee or affiliate either has an existing minimal investment or will be making a minimal investment contemporaneously with the Fund (e.g., angel investment) in a portfolio company that a Fund may seek to invest in. Accordingly, there is a potential conflict which could cause the Firm to make different investment decisions than if such persons did not have a financial ownership interest. Any investment decision made on behalf of the Funds are made in their best interest and in accordance with the Firm’s

investment allocation policy and the Funds' Governing Documents. Greycroft has created policies that specifically address and manage these and other potential conflicts.

**C. Investing Personal Money in the Same Securities as Clients**

Under certain circumstances, a Fund may invest in companies in which a Greycroft employee or affiliate have a pre-existing interest, or subsequently acquire an interest, via different investment funds or other means. Among other considerations, when a Greycroft employee hold interests in portfolio companies through an investment fund or other means other than through a Fund, those interests may substantially differ from a Fund's interests in such companies due to differences in liquidation preference, voting rights, or other investment terms. This may result in such members having personal investment interests that directly conflict with the interests of a Fund.

The Code requires employees to obtain preapproval of any investments in private offerings to identify and manage potential conflicts with the Funds' investments. The Firm requires employees to sign and adhere to the Code and to report personal securities holdings and transactions to the Firm's Chief Compliance Officer.

**D. Trading Securities At/Around the Same Time as Clients' Securities**

As discussed above, the Firm, its employees, or affiliates may hold existing interests in portfolio companies that the Firm also recommends to the Funds. The Firm will document any transactions that could be construed as conflicts of interest and will transact Fund business before the business of its employees and/or Greycroft affiliates when similar securities are being bought or sold.

**E. Allocation of Investment Opportunities among Clients**

As a fiduciary, Greycroft must allocate investment opportunities among clients in a fair and equitable manner. It should be noted that it is generally Greycroft's policy to raise only one Fund within a specific investment objective at a time, though it may raise co-investment and special purpose vehicles that have investment objectives that overlap with other Funds. Furthermore, it is generally Greycroft's policy to only invest in new portfolio companies from the most recently closed Fund within the applicable investment objectives. However, from time to time, certain Funds and other clients have overlapping investment programs including the possibility of a "follow-on" investment where an existing portfolio company investment for a client could be considered for new investment for another client, subject to the investment guidelines of the Governing Documents for each of the Funds or sub-advisory agreements, if applicable. Investment allocation decisions will be made in the best interest of the Firm's clients and in accordance with the Firm's investment allocation policy and the Funds' Governing Documents and sub-advisory agreements, if applicable.

The Funds may co-invest with third parties in one or more specific portfolio companies. Where possible and appropriate, a Fund may, but will be under no obligation to, provide co-investment opportunities to one or more investors before making such opportunities available to others. Any allocations among the Funds and co-investment vehicles will be made

on what the Firm believes to be a fair and equitable basis, in accordance with the Firm's investment allocation policy and the Funds' Governing Documents.

## Item 12 – Brokerage Practices

### A. Factors Used to Select or Recommending Broker-Dealers

The Funds primarily invest in private placement securities that are not offered or transacted through a broker-dealer. In limited circumstances where the Funds may transact in publicly traded or other securities, such trades may be entered and executed through one or more broker-dealers. The Firm will seek to negotiate and execute transactions in an efficient manner and consistent with its fiduciary duties to the Funds.

### B. Brokerage for Client Referrals

The Firm does not consider, in selecting or recommending broker-dealers, client referrals from a broker-dealer. The Firm may receive referrals in the future and, if it does, will appropriately amend this Brochure.

### C. Directed Brokerage

The Firm does not accept directed brokerage arrangements.

### D. Aggregating Trading for Multiple Client Accounts

The Funds primarily invest in private transactions that are not executed on an exchange and typically does not utilize broker-dealers in carrying out transactions. In the limited circumstance where more than one Fund holds a public stock position in the same security and the Firm seeks to sell the holding, the Firm will seek best execution and evaluate on a case-by-case basis whether aggregating the sale of securities for the various Funds is in their best interest and is appropriate under the circumstances.

## Item 13 – Review of Accounts

### A. Frequency and Nature of Periodic Review and Who Makes Those Reviews

The investments made by the Firm on behalf of its clients 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, the Firm closely monitors companies in which its clients invest, and its policies require a review of client portfolios no less than annually to confirm that each portfolio is maintained in accordance with its stated objectives.

### B. Factors That Will Trigger a Non-Periodic Review of Client Accounts

Client portfolios may be reviewed more frequently if triggered by industry, economic, market, or political conditions.

### C. Content and Frequency of Regular Reports

Investors in the Funds will generally receive unaudited reports of performance no less frequently than semiannually and will receive audited year-end financial statements

annually. Investors should refer to the Governing Documents of the relevant Fund for additional information on the reports and frequency of said reports provided by a particular Fund to its investors.

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

Greycroft has in the past, and may in the future, retain third party placement agents for referring investors to the Funds. Placement agent fees are typically a percentage of capital commitments. Due to such compensation, the third-party placement agents have an incentive to endorse the Funds, resulting in a material conflict of interest. Required disclosures under Advisers Act Rule 206(4)-1, including a description of the compensation and material conflicts of interest, will be provided to the investor at the time the placement agent disseminates the advertisement, as defined under the rule.

#### **Item 15 – Custody**

Rule 206(4)-2 of the Advisers Act (the “**Custody Rule**”) provides that because the Firm and its affiliates are the general partners of the Funds, they are deemed to have custody of Fund assets. Under the Custody Rule, having custody of client assets creates certain obligations for the Firm. The Firm satisfies these obligations by providing investors with audited financial statements that meet certain requirements as specified in the Custody Rule within 120 days of fiscal year end.

In addition, because Funds invest in the securities of private companies, SEC guidance permits the Firm to hold any physical stock certificates of private securities instead of with a qualified custodian.

The Firm does not have custody over funds managed by third-party investment advisers.

#### **Item 16 – Investment Discretion**

The Funds’ Governing Documents generally authorize the Firm to invest their assets in a broad range of investments. Investments are selected at the Firm’s sole discretion in accordance with each Fund’s Governing Documents. The Firm may enter into any type of investment transaction and employ any investment methodology that is not restricted by the Fund’s Governing Documents. The Firm also provides non-discretionary sub-advisory services pursuant to a sub-advisory agreement to funds managed by third-party investment advisers.

#### **Item 17 – Voting Client Securities**

Greycroft invests in the securities of private companies and therefore does not typically vote proxies on behalf of its clients. If clients should be solicited to vote a proxy, the Firm will vote any such proxies in the best interests of its clients. Investors requesting information

regarding how Greycroft voted proxies for particular investments may contact Kevin Basque, the Chief Compliance Officer and Chief Financial Officer.

### **Item 18 – Financial Information**

Greycroft has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to the Funds and has not been the subject of a bankruptcy petition.

A. Balance Sheet

The Firm does not require nor solicit prepayment (six months or more in advance) of more than \$1,200 in fees per Fund, and therefore does not need to include a balance sheet with this Brochure.

B. Financial Condition

The Firm has discretionary authority over the Funds' assets. At this time, neither the Firm nor its management persons have any financial conditions that are likely to reasonably impair its ability to meet contractual commitments to the Funds.

C. Bankruptcy Petitions in Previous Years

The Firm has not been the subject of a bankruptcy petition in the last ten years.

### **Item 19 – Requirements for State-Registered Advisers**

Not applicable.