

**PART 2A OF FORM ADV**

**FIRM BROCHURE**

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**March 31, 2023**

**This brochure (“Brochure”) provides information about the qualifications and business practices of Akkadian Ventures, Inc., along with its affiliated relying advisers, Akkadian Ventures Management, LLC, Akkadian Ventures, LLC and Akkadian Ventures Management, Inc. If you have any questions about the contents of this Brochure, please contact us at [compliance@akkadian.vc](mailto:compliance@akkadian.vc). The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority, and references in this Brochure to the Adviser as a “registered investment adviser” are not intended to imply a certain level of skill or training.**

**Additional information about Akkadian Ventures, Inc., Akkadian Ventures Management, LLC, Akkadian Ventures, LLC, and Akkadian Ventures Management, Inc. is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**



## **Item 2 – Material Changes**

Since the September 14, 2022 amendment to the March 31, 2022 annual update, the only material updates are the (a) addition of new fund clients and (b) expansion of the disclosures in Item 8 of this Brochure to address risks associated with inflation and banking counterparties. We routinely make updates throughout the brochure to (i) improve and clarify the description of our business practices and compliance policies and procedures and (ii) respond to evolving industry best practices. Although these changes may not be material, please review this brochure carefully and in its entirety.

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#### **Item 4 – Advisory Business**

Akkadian Ventures, Inc. (the “Filing Adviser”), a Delaware corporation formed on September 9, 2013, invests in growth stage technology companies with a focus on smaller direct secondary positions in high-growth, later-stage technology companies.

The Filing Adviser is affiliated with Akkadian Ventures Management, LLC, a Delaware limited liability company formed on November 19, 2021, Akkadian Ventures, LLC, a Delaware limited liability company formed on January 27, 2020, Akkadian Ventures Management Inc., a Colorado corporation formed on January 20, 2012 (together, “Relying Advisers,” and collectively with the Filing Adviser, the “Advisers”). The Advisers have the same principal office/place of business. The principal owners of the Filing Adviser are Benjamin Black, Peter Smith, and Michael Gridley. Akkadian Ventures Management, LLC is owned by Benjamin Black, Peter Smith, and Michael Dinsdale. Akkadian Ventures, LLC and Akkadian Ventures Management Inc. are owned by Benjamin Black and Peter Smith. Information pertaining to all of the Advisers can be found in the Form ADV Part 1 for the Filing Adviser (and Schedules R therein for the Relying Advisers) as well as in this ADV Part 2A. All of the Advisers are subject to the Advisers Act and the same Compliance Manual and Code of Ethics.

The Advisers provide discretionary investment advisory services to private funds as their managers. Such funds include the following:

Main Funds. The Advisers advise the following blind-pool funds (each, a “Main Fund” and collectively, the “Main Funds”):

- Akkadian Ventures II, LP (“Ventures II”)
- Akkadian Entrepreneurs III, LP (“Entre III”)
- Akkadian Ventures III, LP (“Ventures III”)
- Akkadian Ventures IV, LP (“Ventures IV”)
- Akkadian Ventures V, LP (“Ventures V”)
- Akkadian Ventures VI, LP (“Ventures VI Master”) and its feeder fund, CAA – Akkadian Ventures VI, LP (“CAA Ventures VI”, referred to collectively with Ventures VI Master, as “Ventures VI”)

Co-Investment Funds. Additionally, from time to time and as permitted by the relevant Partnership Agreements (as defined herein), the Advisers provided, and expect to provide, opportunities to co-invest alongside one or more Main Fund transactions via co-investment vehicles, each a “Co-investment Fund”. At the sole discretion of the applicable General Partner, Co-Investment Fund opportunities may be offered to certain existing investors or other persons, including, without limitation, other market participants and/or certain other persons associated with the Advisers and/or their affiliates. Pursuant to the Partnership Agreements, the Advisers may only make investments via a Co-Investment Fund in primary offerings or after the investment concentration limit for the applicable Main Fund has been reached. If such investment concentration limit is reached in connection with a transaction in which a Main Fund is also participating, the corresponding Co-Investment Fund and Main Fund will typically invest and dispose of their

investments in the applicable portfolio company at the same time and on the same terms. If such investment concentration limit is not reached in connection with a transaction in which a Main Fund is also participating, the corresponding Co-Investment Fund and Main Fund may invest in the applicable portfolio company at different times and pursuant to different terms but will typically dispose of such investments at the same time and on the same terms. The Advisers advise the following Co-Investment Funds:

- Akkadian Ventures Annex V, LP
- Tank Hill - Akkadian Annex PLCR, LP
- Akkadian Ventures Annex V-B, LP
- Akkadian Ventures Annex V-E, LP
- Bottega Holdings, LP
- CAA – Akkadian Ventures Annex VI, LP (“CAA Ventures Annex VI”)

Special Purpose Vehicles. Additionally, from time to time and as permitted by the relevant Partnership Agreements (as defined herein), the Advisers provided, and expect to provide, opportunities to invest in transactions via special purpose vehicles, each a “Special Purpose Vehicle” that are outside of the targeted “growth stage” investment criteria of the Main Funds. At the sole discretion of the Advisers, Special Purpose Vehicle opportunities may be offered to certain existing investors or other persons, including, without limitation, other market participants and/or certain other persons associated with the Advisers and/or their affiliates. The Main Fund Investment Committee is responsible for determining whether an investment opportunity is suitable for the Main Fund(s). The Advisers advise the following Special Purpose Vehicles:

- Akkadian Ventures Annex V-F, LP
- ConsenSys Software Annex Fund, LP

The Main Funds, Co-Investment Funds, and Special Purpose Vehicles are collectively referred to herein as the “Funds.”

The Funds are exempt from registration under the Investment Company Act of 1940, as amended (the “1940 Act”) and offer securities that are not registered under the Securities Act of 1933, as amended (the “Securities Act”). The Advisers provide day-to-day management and advisory services to the Funds or to the general partner of the Funds, including, but not limited to, the following managing directors for the limited liability companies and general partners for the limited partnerships (referred to collectively as the “General Partners”):

- Akkadian Ventures GP II, LLC
- Akkadian Ventures GP III, LLC
- Akkadian Ventures GP IV, LLC

- Akkadian Ventures GP V, LLC
- Akkadian Ventures GP VI, LLC
- Akkadian Ventures Annex GP V, LLC
- Akkadian Ventures Annex GP V-B, LLC
- Akkadian Ventures Annex GP PLCR, LLC
- Akkadian Ventures Annex GP V-E, LLC
- Akkadian Ventures Annex GP V-F, LLC
- ConsenSys Software Annex GP, LLC
- Bottega Holdings GP, LLC

The General Partner of each Fund has complete discretion and exclusive responsibility and authority for all investment making decisions of such Fund. A Fund's investment objectives and/or parameters are set forth in any applicable private placement memoranda (each, a "Memorandum") and limited partnership or other operating agreements (each, a "Partnership Agreement", referred to collectively with the Memorandum and any other governing documents as the "Fund Documents") provided to the investors in such Fund (the "Investors"). The Advisers tailor the advisory services for each Fund based on such Fund's investment objective and investment strategy, including guidelines regarding the types of securities such Fund will acquire and portfolio limits (if any). However, the Advisers do not tailor their advisory services to the needs of individual Investors, and the Investors may not impose restrictions on investing in certain securities or types of investments.

As described above, CAA Ventures VI is a feeder fund of Ventures VI Master. CAA Ventures Annex VI is a co-investment fund that invests in other Co-Investment Funds and Special Purpose Vehicles. CAA Ventures VI and CAA Ventures Annex VI are sub-advised by a third-party investment manager. As set forth in the Fund Documents and detailed further in Item 5, the sub-advisor is entitled to receive all or a portion of the CAA Ventures VI's and CAA Ventures Annex VI's management fee, and an affiliate of the sub-advisor, is entitled to a portion of CAA Ventures VI's and CAA Ventures Annex VI's carried interest. Additionally, the sub-advisor may also be reimbursed for certain due diligence and formation expenses of the sub-advisor as specified in the corresponding sub-advisory agreements. CAA Ventures VI and CAA Ventures Annex VI are expected to participate pro-rata in their corresponding investing Funds' allocations of fees and expenses. However, over time, the performance of CAA Ventures VI and CAA Ventures Annex VI is expected to differ from the corresponding investing Funds due principally to their different fee and expense structures.

The Advisers' services to the Funds are further described in the Fund Documents as well as below in the "Methods of Analysis, Investment Strategies and Risk of Loss" portion of *Item 8* and "Investment Discretion" provisions in *Item 16*. The Funds or the Advisers may enter into side letters or other similar agreements with certain Investors that have the effect of establishing, altering or supplementing a Fund's Partnership Agreement.

The Advisers do not participate in wrap fee programs.

As of December 31, 2022, the Advisers manage \$733,397,512 in regulatory assets under management on a discretionary basis.



## **Item 5 – Fees and Compensation**

The following is a general description of fees, compensation and expenses of the Funds. Differences exist from Fund to Fund, and certain Funds may not charge certain fees, compensation or expenses that other Funds charge. The Partnership Agreements of the Funds describe fees, compensation and expenses in greater detail.

### **Management Fees**

**Main Funds.** Each Main Fund's General Partner receives an annual management fee during such Main Fund's investment period (the "Management Fee").

During their respective investment periods, Ventures II, Ventures III, and Entre III each paid a Management Fee that was equal to a budgeted amount approved by the corresponding limited partners advisory board (a "Budgeted Management Fee") but subject to certain maximums. Because their respective investment periods have expired, Ventures II, Ventures III, and Entre III each pay a pre-determined monitoring fee for each of their respective remaining portfolio companies. Such monitoring fees vary, and Investors should review the respective Main Fund Documents for a description of the specific monitoring fees.

During their respective investment periods, Ventures IV, Ventures V, and Ventures VI pay a Management Fee that is equal to two percent (2%) of the aggregate investor capital commitments ("Committed Capital") to Akkadian Ventures GP IV, LLC, Akkadian Ventures GP V, LLC, and Akkadian Ventures GP VI, LLC respectively. The investment period for Ventures IV has expired, Ventures IV now pays a pre-determined monitoring fee for each of its respective remaining portfolio companies. When the investment period for Ventures V and Ventures VI expires, Ventures V and Ventures VI will pay a management fee equal to the product of (x) the cost basis of the securities held by Ventures V and Ventures VI as of the first day of the corresponding calendar quarter, multiplied by (y) one-half of one percent (0.5%). Such monitoring and management fees vary, and Investors should review the respective Fund Documents for a description of the specific monitoring fees. The management fee percentage for Ventures VI steps down based on certain Capital Commitment thresholds being satisfied.

Pursuant to their respective sub-advisory agreements, (a) CAA Ventures VI pays the same management fee as Ventures VI Master and a portion thereof is shared with the sub-advisor and (b) CAA Ventures Annex VI pays a reduced management fee and all of it is paid to the sub-advisor.

The Management Fees are payable by the applicable Main Fund to the applicable General Partner quarterly in advance. In the event that additional Committed Capital is added to a Main Fund after its initial closing, the aggregate Management Fee payable by such Main Fund will equal the Management Fee that would have been paid if such additional Committed Capital had been included in such Main Fund's initial closing.

Management Fees are generally offset by an amount equal to (i) fifty percent (50%) of the amount of any cash or other compensation paid as breakup or broken deal fees or similar fees to the Advisers or their affiliates during the immediately preceding payment period and (ii) one hundred percent (100%), or in the case of Venture VI, a percentage determined by the aggregate Partnership Percentages of the Limited Partners, of the amount of any cash or other compensation paid as directors, consulting, management service, advisory, consultant, or similar fees to the Advisers or their affiliates during the immediately preceding payment period by or in connection with any

portfolio company. All non-cash compensation in the form of options, warrants or other similar rights received by any of the Advisers or their affiliates shall offset Management Fees at such time as the applicable Main Fund values them.

Co-Investment Fund and Special Purpose Vehicles. The Co-Investment Funds and the Special Purpose Vehicles generally do not pay any Management Fees or Monitoring Fees. The Co-Investment Funds and the Special Purpose Vehicles typically pay a negotiated administrative fee that is set forth in the Fund Documents. Despite the above, for Bottega Holdings, LP and any future Co-Investment Funds and Special Purpose Vehicles in which CAA Ventures Annex VI invests, CAA Ventures Annex VI pays a 1.0% sub-advisory management fees to the sub-advisor.

### **Carried Interest**

“Carried Interest” is an allocation representing an asset manager's compensation based on a percentage of net profits of the Fund being managed. If a Carried Interest is paid, the applicable General Partner is typically subject to a payback obligation at the end of one or more periods during the life of the corresponding Fund to the extent that the General Partner was overpaid Carried Interest during the life of such Fund, as specified in such Fund's Partnership Agreement.

The General Partner of each Main Fund will receive a Carried Interest from the Investors of the Main Funds equal to up to 20% of all net profits (as more fully described in the corresponding Partnership Agreement); provided however, that certain private investment funds, which were formerly advised by the Advisers and allow certain employees and strategic advisers of the Advisers to invest in the Main Funds, do not pay any Carried Interest to the General Partner of the Main Funds in which they invested.

Pursuant to their respective sub-advisory agreements, a portion of CAA Ventures VI's and CAA Ventures Annex VI's carried interest is shared with the sub-advisor or its affiliates.

The General Partner of the Co-Investment Funds and the Special Purpose Vehicles will receive a Carried Interest from their respective Investors equal to up to 20% of all net profits (as more fully described in the corresponding Partnership Agreement); provided however, that certain Limited Partners of the Co-Investment Funds and the Special Purpose Vehicles, who are employees and strategic advisers of the Advisers, do not pay any Carried Interest to the General Partners of the Co-Investment Funds and the Special Purpose Vehicles.

The existence of the Carried Interest may create an incentive for the General Partner to make more speculative investments on behalf of the applicable Funds than it would otherwise make in the absence of such performance-based payments. Under certain circumstances set forth in the corresponding Fund Documents, the General Partner may receive Carried Interest distributions with respect to a distribution in kind of investments for which market quotations are not readily available. The valuation of such investments will be determined in accordance with procedures established by the Advisers from time to time and available to the Investors.

Management Fees are deducted and paid to the Advisers from the assets of the relevant client accounts. If applicable, performance-based compensation is deducted and paid to the Advisers or their affiliates from the assets of the relevant client accounts.

### **Expenses**

From any Management Fee paid by the Funds, the General Partner generally bears all normal operating expenses incurred in connection with the management of each Fund, their General Partner, and the Advisers, except for those expenses borne directly by the applicable Fund as set forth in the respective Fund Documents.

Each Fund generally bears all costs and expenses incurred in the making, holding, purchasing, selling or exchanging of securities (whether or not ultimately consummated), including, without limitation, private placement fees, finder's fees, interest on and fees and expenses arising out of borrowed money, real property or personal property taxes on investments, including documentary, recording, stamp and transfer taxes, brokerage fees or commissions, or other similar charges (including any merger fees payable to third parties), travel expenses, legal fees and expenses, expenses incurred in connection with the investigation, prosecution or defense of any claims by or against the applicable Fund, including claims by or against a governmental authority, audit and accounting fees, consulting fees relating to investments or proposed investments, taxes applicable to the applicable Fund on account of its operations, fees incurred in connection with the maintenance of bank or custodian accounts, and all expenses incurred in connection with the registration of the any securities under applicable securities laws or regulations. Each Fund also bears expenses incurred by the General Partner related to any sales or other taxes or government charges which may be assessed against such Fund, the cost of liability and other premiums for insurance protecting such Fund, the General Partner, the Advisers, and the LP Advisory Committee (as applicable), and their respective partners, members, stockholders, managers, managing directors, officers, directors, trustees, employees, agents or affiliates in connection with the activities of such Fund, all out-of-pocket expenses of preparing and distributing reports to Investors, out-of-pocket expenses associated with any communications with Investors, including preparation and distribution of annual or other reports to the Investors, costs associated with any meetings or LP Advisory Committee matters (to the extent applicable), expenses of the members of the LP Advisory Committee (including travel-related costs and expenses) (to the extent applicable), all legal, accounting, tax, consulting and professional services fees and expenses (including tax preparation) relating to such Fund and its activities, bookkeeping services, fees and expenses relating to outsourced finance, accounting and back-office services (including third-party fund administration costs), all fees, costs and expenses relating to litigation and threatened litigation involving such Fund, and all expenses that are not normal operating expenses and all other expenses properly chargeable to the activities of such Fund.

In general, each Fund bears all out-of-pocket fees and expenses related to regulatory compliance of such Fund, their General Partner and the Advisers, including the costs of any compliance consultants, legal counsel and similar service providers to satisfy registration and ongoing compliance requirements of rules under the Investment Advisers Act of 1940. However, as specifically negotiated with the Investors of Ventures IV, Ventures V, Ventures VI, the Co-Investment Funds, and the Special Purpose Vehicles and expressly set forth in their respective Partnership Agreements, Ventures IV, Ventures V, Ventures VI, the Co-Investment Funds, and the Special Purpose Vehicles shall solely bear all general regulatory compliance expenses of the Advisers related to the registration and ongoing compliance as a registered investment advisor with the Advisers Act, and no such expenses will be shared with Ventures II, Ventures III, and Entre III. General regulatory compliance expenses include, but are not limited to, service providers review and assistance with Form ADV, annual compliance program reviews, compliance training, marketing document review, and other support to assist with the maintenance of the Advisers' compliance program. If successor funds are formed, the Advisers shall determine the allocation of such expenses among eligible existing Funds and such successor funds in a reasonable manner, as determined in their sole and absolute discretion. The Advisers believe such allocation protocols are

reasonable; however, other reasonable options may exist that may yield different results, including results that would be more beneficial to one or more Funds.

The Advisers will face a variety of potential conflicts of interest when they determine allocations of various fees and expenses to the Funds. The Advisers, in their sole discretion, will allocate fees and expenses in accordance with the Funds' respective Fund Documents and in a manner that it believes, in good faith, is fair and equitable to the Funds under the circumstances over time and considering such factors as it deems relevant. The allocations of such expenses will not always be proportional, and any such determinations involve inherent matters of discretion (e.g., in determining whether to allocate pro-rata based on the number of funds, co-investors, or successor funds receiving related benefits or proportionately in accordance with asset size, or in certain circumstances determining whether a particular expense has greater benefit to the Fund or the Advisers or affiliates). The Advisers maintain policies and procedures to mitigate and document that its fees and expenses allocations are fairly and equitably allocated to Funds.

Unless otherwise disclosed, because they are limited partners in the respective investing Funds, CAA Ventures VI and CAA Ventures Annex VI will typically participate pro-rata in the allocation of the corresponding investing Funds' fees and expenses. However, any fees paid, or expenses incurred, specifically by CAA Ventures VI and CAA Ventures Annex VI will be borne by CAA Ventures VI and CAA Ventures Annex VI, respectively, and not allocated to the corresponding investing Funds (e.g., sub-advisor due diligence expenses).

Each Fund shall bear all organizational, syndication, and marketing costs (including placement agent reasonable travel), fees, and expenses incurred by or on behalf of their General Partner or the Advisers in connection with the formation and organization of such Fund, each feeder entity or parallel fund (to the extent applicable), subject to any maximum limit defined in the applicable Fund Documents. Further, in their General Partner's sole discretion, each Fund may, in lieu of payment of an equal amount of Management Fee, bear (i) such marketing costs, fees and expenses that exceed, in the aggregate, their pro-rata share of a pre-determined dollar amount as described in the corresponding Fund Documents and (ii) such private placement or finder's fees that would otherwise have been paid by their General Partner.

Each Fund shall bear all liquidation costs, fees, and expenses incurred by its General Partner (or its designee) in connection with the liquidation of such Fund.

The Advisers retain certain third-party consultants ("Co-Investment Consultants") to provide investment initiative, due diligence, and monitoring services to the investment team and management advice to the portfolio companies. Co-Investment Consultants generally receive compensation, including retainer fees, incentive equity from special purpose vehicles, and reimbursement of certain travel and other costs, which are generally paid by portfolio companies or the Funds. Co-Investment Consultants also may invest in portfolio companies in which they have been, or are expected to be, involved. Compensation payments to Co-Investment Consultants will not result in offsets to the management fees and all, or a portion of that compensation will be borne by a Fund directly or indirectly via its ownership interest in such portfolio companies. As a result of the various forms in which Co-Investment Consultants may be compensated and by whom, as well as the Advisers' role in determining whether a Co-Investment Consultants will provide services to a portfolio investment, Co-Investment Consultants that may result therefrom, conflicts and risks can arise when the Advisers are determining whether a Co-Investment Consultants will provide those services or serve in those capacities. To monitor this conflict, the Advisers have oversight procedures designed to periodically confirm that the value of the services, expertise and

overall benefits provided by such Co-Investment Consultants are commensurate with the direct or indirect costs to the Funds.

General. Neither the Advisers nor any of their supervised persons accepts compensation for the sale of securities or other investment products.

**It is important that Investors refer to the applicable Fund Documents for a complete understanding of how the Advisers and their affiliates are compensated for services. This is particularly true with respect to performance-based compensation. The information contained herein is a summary only and is qualified in its entirety by such documents.**

## **Item 6 – Performance-Based Fees and Side-by-Side Management**

As discussed under **Item 5** ("Fees and Compensation") above, the Advisers or their affiliates receive a Carried Interest allocation on certain realized profits in the Funds. See **Item 8**, "Methods of Analysis, Investment Strategies and Risk of Loss," for further discussion of conflicts of interest.

As discussed under **Item 5** ("Fees and Compensation") above, the amount of Management Fees and Carried Interest that the Advisers receive can vary depending upon the Fund. Due to such discrepancies, a potential conflict of interest could arise. In the event that an overlap in Fund investment periods creates investment opportunities that are suitable for more than one Fund, the Advisers will allocate such investment opportunities among the Funds fairly and equitably and pursuant to the relevant allocation provisions set forth in the Fund Documents.

Finally, the Fund Documents provide Investors and potential Investors with extensive disclosure regarding the potential risks relating to an investment in each respective Fund, including material conflicts of interest.

**Complete fee disclosures and provisions for dealing with allocation of investment opportunities are provided to Investors in the Fund Documents, and prospective Investors should review such disclosures carefully.**

## **Item 7 – Types of Clients**

The Advisers provide investment advice to the Funds. The Funds are investment partnerships or other investment entities formed under domestic or foreign laws and operated as exempt investment pools under the Investment Company Act of 1940, as amended (the "Investment Company Act"). The Investors participating in the Funds may include individuals, banks or thrift institutions, other investment entities, university endowments, family offices, pension and profit-sharing plans, trusts, estates or charitable organizations or other corporations or business entities and may include, directly or indirectly, principals or other employees of the Advisers and their affiliates and members of their families, strategic advisers, or other service providers retained by the Advisers.

The Funds had a minimum investment in the range of \$50,000 and \$1,000,000. The General Partner had the authority to waive all such minimums. All Investors must be (i) "accredited investors" as defined under Regulation D of the Securities Act of 1933, as amended, (ii) "qualified clients" as defined in the Investment Advisers Act of 1940 (the "Advisers Act") and (iii) either "qualified purchasers" or "knowledgeable employees" as defined under the Investment Company Act.

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

### **Investment Strategy**

The Advisers invest in growth stage technology companies. The Advisers seek to provide alternative liquidity solutions for entrepreneurs, angel investors, venture capital funds and employees. Although the Advisers will occasionally make primary investments and large investments, the Advisers focus on smaller direct secondary positions in technology companies. Typically, the Advisers focus investments around three main principles: (i) high growth, pre-IPO technology startups, (ii) strong business models the Advisers can understand, and (iii) nascent markets in which the Advisers can be early buyers.

The Advisers' investment strategy is described in greater detail in the applicable Fund Documents.

### **Investment Process**

The Advisers track the growth and performance of venture-backed companies based on available metrics and combine this data with their own knowledge of key companies and shareholders. Using this information, the Advisers compile and maintain a list of investment targets that is used to source deals. When deals are sourced, the Advisers complete their due diligence process. When deals have been negotiated, the Advisers rely upon their in-house legal resources to customize and close such transactions.

The Advisers, through their affiliated entity, Raise Conferences, LLC, host venture capital conferences called Raise. Raise provides a networking forum for (a) venture capital funds (the "Presenters") to network with and present to potential venture capital investors (the "Potential Investor") and (b) the Potential Investors to network with and potentially invest directly in the Presenters at the Potential Investor's sole discretion. Expenses to host the forum are offset from sponsorship and other event revenue received by Raise Conferences, LLC, and are not an expense of any Fund. Neither the Advisers nor Raise provides any investment advice or recommendations with respect to any particular Presenters, companies, funds, or asset classes in attendance. Raise makes no representations or warranties as to the completeness or accuracy of information conveyed about investment opportunities. The Potential Investors must conduct their own due diligence on any investment that they choose to make. Whether and how to use information gained through Raise is each Potential Investor's individual and personal choice. Each Potential Investor is solely responsible for such Potential Investor's own investment decisions.

### **Risks Related to the Advisers Investment Strategy**

*Risk Inherent in Venture Capital Investments.* The types of investments that the Funds anticipate making involve a high degree of risk. In general, financial and operating risks confronting portfolio companies can be significant. While targeted returns should reflect the perceived level of risk in any investment situation, there can be no assurance that the Funds will be adequately compensated for risks taken. A loss of an Investor's entire investment is possible. The timing of profit realization is highly uncertain. Early-stage and development-stage companies often experience unexpected problems in the areas of product development, manufacturing, marketing, financing and general management, which, in some cases, cannot be adequately solved. In addition, such companies may require substantial amounts of financing which may not be available through institutional private placements or the public markets. In addition, the markets, which such companies target, are highly competitive and in many cases the competition consists of larger companies with access to greater



resources. The percentage of companies that survive and prosper can be small. Investments in more mature companies in the expansion or profitable stage involve substantial risks. Such companies typically have obtained capital in the form of debt and/or equity to expand rapidly, reorganize operations, acquire other businesses, or develop new products and markets. These activities by definition involve a significant amount of change in a company and could give rise to significant problems in sales, manufacturing, and general management of these activities.

*Investment in Companies Dependent Upon New Scientific Developments and Technologies.* The Funds plan to focus their investing in technology companies. The value of the Funds' interests may be susceptible to greater risk than an investment in a partnership that invests in a broader range of securities. The specific risks faced by such companies include:

- rapidly changing science and technologies;
- new competing products and improvements in existing products which may quickly render existing products or technologies obsolete;
- exposure, in certain circumstances, to a high degree of government regulation, making these companies susceptible to changes in government policy and failures to secure, or unanticipated delays in securing, regulatory approvals;
- scarcity of management, technical, scientific, research and marketing personnel with appropriate training;
- the possibility of lawsuits related to patents and intellectual property; and
- rapidly changing investor sentiments and preferences with regard to technology sector investments (which are generally perceived as risky).

*Lack of Information for Monitoring and Valuing the Funds' Assets.* Despite the General Partner's efforts to acquire sufficient information to monitor the Funds' investments and make well-informed valuation and pricing determinations, the General Partner may only be able to obtain limited information with respect to the companies it invests in at certain times and, in some cases, may not be able to obtain information about such companies beyond the information that is publicly available. The Funds will in many cases invest in the securities of companies where it does not have contractual rights to receive any financial information or even the right to current capitalization information. It is possible that the General Partner may not be aware on a timely basis of material adverse changes that have occurred with respect to such companies. The value of the Funds' assets could be significantly negatively affected by any such event. Further, the General Partner may have to make valuation determinations without the benefit of an adequate amount of relevant information. Investors should be aware that as a result of these difficulties, as well as other uncertainties, any valuation made by the General Partner may not represent the fair market value of the securities of companies acquired by the Funds.

*Risks Inherent in Secondary Transactions.* Typically, the Funds intend to acquire securities from existing stockholders of companies and not directly from such companies. Such transactions pose greater risks for the Funds, including, but not limited to, potential liabilities related to the imbalance of information between the Funds and the selling stockholders, counterparty credit risks, and execution and delivery risks related to individual sellers (e.g., does the seller have the authority to enter into the transaction, does the seller have valid and marketable title to the securities being sold), and potential claims by third parties to co-invest with the Funds in such transactions. Further, any purchase from an existing stockholder may involve securities that are subject to repurchase, first refusal, and/or co-sale rights and other similar restrictions on transfer held by the companies or their stockholders. Although the Funds intend to comply with, or obtain a waiver of, such restrictions, certain companies or their stockholders may subsequently challenge (i) such

compliance or waiver and (ii) the Funds' rights to the underlying securities. Furthermore, the Funds may acquire certain rights to securities from existing stockholders of companies by entering into call-right agreements, issuing secured loans using such securities as collateral, acquiring a contractual right to any proceeds from a sale of the securities or other similar structures, and certain companies and their stockholders may challenge the validity of such rights and/or refuse to cooperate with the subsequent transfer of such securities or proceeds to the Funds.

*No Assurance of Returns.* There can be no assurance that Investors will receive distributions from the Funds in an amount equal to their investment in the Funds. The timing of profit realization, if any, is highly uncertain.

*Reliance on the General Partner.* The General Partner will have sole discretion over the investment of the funds committed to the Funds as well as the ultimate realization of any profits. The Investors may not receive the detailed financial information issued by portfolio companies that may only be available to the Funds. Accordingly, the Investors will not have the opportunity to evaluate the relevant economic, financial, and other information that will be utilized by the General Partner in its selection of investments. As such, the pool of funds in certain of the Funds represents a blind pool of funds. Investors will be relying on the General Partner to identify, structure, and implement investments consistent with the Funds' investment objectives and policies. The loss of one or more of the principals of the General Partner could have a significant adverse impact on the business of the Funds. No assurances can be given that each of the principals will continue to be affiliated with the Funds throughout their respective terms. Notwithstanding any prior experience that such principals may have in making investments of the type expected to be made by the Funds, any such experience necessarily was obtained under different market conditions and with different technologies at the forefront of development. There can be no assurance that the principals of the General Partner will be able to duplicate prior levels of success.

*Competitive Marketplace.* The marketplace for venture capital investing has become increasingly competitive. Participation by financial intermediaries has increased, substantial amounts of funds have been dedicated to making investments in the secondaries market, and the competition for investment opportunities is at high levels. Some of the Funds' potential competitors may have greater financial and personnel resources than the General Partner. There can be no assurances that the General Partner will locate an adequate number of attractive investment opportunities. To the extent that the Funds encounter competition for investments, returns to Investors may vary.

*Minority Investments.* A significant portion of the Funds' investments may represent minority stakes in privately held companies. In addition, during the process of exiting investments, the Funds are more likely to hold minority equity stakes if portfolio holdings are taken public. As is the case with minority holdings in general, such minority stakes that the Funds may hold will have neither the control characteristics of majority stakes nor the valuation premiums accorded majority or controlling stakes. The Funds may also invest in companies for which the Funds have no right to appoint a director or otherwise exert any influence. In such cases, the Funds will be reliant on the existing management and board of directors of such companies, which may include representatives of other financial investors with whom the Advisers are not affiliated and whose interests may conflict with the interests of the Funds.

*No Assurance of Additional Capital for Investments.* Investments made by the Partnership will typically be paid to the stockholders directly and are not intended to finance any of the portfolio companies. The Funds expect to invest in companies that have substantial capital needs that are typically funded over several stages of investment. No assurance can be made that such additional

financing will be available and no assurance can be made as to the terms upon which such financing may be obtained. Alternatively, the Funds, either directly or through one of their portfolio companies, may elect to sell developed or undeveloped technologies to existing companies. No assurance can be made that buyers for such technologies can be located or that the terms of any such sales will be advantageous.

*Bridge Financing.* Although the Funds have not done so in the past, the Funds may lend to portfolio companies or stockholders on a short-term, unsecured basis in anticipation of a future issuance of equity or long-term debt or the closing of a future sale of securities. Such bridge loans would typically be convertible into a more permanent, long-term security; however, for reasons not always in the Funds' control, such long-term securities may not issue and such bridge loans may remain outstanding. In such event, the interest rate on such loans may not adequately reflect the risk associated with the unsecured position taken by the applicable Fund.

*Limitations on Ability to Exit Investments.* The General Partner expects to exit from its investments in two principal ways: (i) private sales (including acquisitions of its portfolio companies) and (ii) initial and secondary public offerings. At any particular time, one or both of these avenues may not be open to the Funds, or timing with respect to these exit mechanisms may be inopportune. As such, the ability to exit from and liquidate portfolio holdings may be constrained at any particular time.

*Potential Liabilities.* In connection with their investments, the Funds may negotiate the right to appoint one of the principals of the General Partner as a member of a portfolio company's board of directors. Such membership on the board of directors of a company can result in the Funds or an individual director being named as a defendant in litigation. The Funds may also participate in portfolio company financings at valuations lower than the valuations in preceding rounds of financing. Disputes arising out of such down-round financings may result in the Funds, the General Partner, or their members being named as defendants. Typically, portfolio companies will have insurance to protect directors and officers, but this insurance may be inadequate. The Funds will also indemnify the General Partner and their principals, among others, for liabilities incurred in connection with operations of the Funds, including liabilities arising from such suits. Such indemnification obligations and other liabilities could be substantial.

*Contingent Liabilities on Disposition of Investments.* In connection with the disposition of an investment in a portfolio company, the Funds may be required to make representations about the business and financial affairs of such company typical of those made in connection with the sale of a business. The Funds may be required to indemnify the purchasers of such investment to the extent that any such representations are inaccurate. These arrangements may result in the incurrence of contingent liabilities for which the General Partner may establish reserves and escrows. In that regard, distributions may be delayed or withheld until such reserve is no longer needed or the escrow period expires.

*Reserves.* As is customary in the industry, the General Partner may establish reserves for follow-on investments by the Funds in portfolio companies, operating expenses, Fund liabilities, and other matters. Estimating the appropriate amount of such reserves is difficult, especially for follow-on investment opportunities, which are directly tied to the success and capital needs of portfolio companies or availability of additional sellers of securities. Inadequate or excessive reserves could impair the investment returns to the Investors. If reserves are inadequate, the Funds may be unable to take advantage of attractive follow-on or other investment opportunities. If reserves are

excessive, the Funds may decline attractive investment opportunities or hold unnecessary amounts of capital in money market or similar low-yield accounts.

*Absence of Liquidity and Public Markets.* The Funds' investments will generally be private, illiquid holdings. As such, there will be no public markets for the securities held by the Funds and no readily available liquidity mechanism at any particular time for any of the investments held by the Funds. In addition, the realization of value from any investments will not be possible or known with any certainty until the General Partner elects, in its sole discretion, to sell the Funds' investments and subsequently distribute the proceeds to its investors or to distribute securities to investors in lieu of cash.

*Limited Portfolio Diversification.* As is typical of venture capital firms, the portfolio holdings of the Funds will not be broadly diversified. In addition, if the General Partner is unable to raise sufficient capital commitments to the Funds, the diversification of the portfolio holdings of the Funds will be further limited. A downturn of the economy or in the business of any one portfolio company could impact the aggregate returns delivered to the Investors by the Funds.

*Enhanced Legal and Regulatory Scrutiny of Secondary Transactions of Private Companies.* The SEC previously investigated secondary stock transactions of private companies to assess possible violation of provisions of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Reform Act") applicable to security-based swaps. If the SEC were to determine in the future that certain deal structures employed by the Funds are security-based swaps, limitations that apply to such transactions, and possible actions by the SEC, could impact the operations of the Funds.

*Cyber Security Risks.* Recent events have illustrated the ongoing cybersecurity risks to which operating companies are subject. To the extent that a portfolio company is subject to cyber-attack or other unauthorized access is gained to a portfolio company's systems, such portfolio company may be subject to substantial losses in the form of stolen, lost or corrupted (i) customer data or payment information; (ii) customer or portfolio company financial information; (iii) portfolio company software, contact lists or other databases; (iv) portfolio company proprietary information or trade secrets; or (v) other items. In certain events, a portfolio company's failure or deemed failure to address and mitigate cybersecurity risks may be the subject of civil litigation or regulatory or other action. Any of such circumstances could subject a portfolio company, or the relevant Fund(s), to substantial losses. In addition, in the event that such a cyber-attack or other unauthorized access is directed at the Advisers or one of its service providers holding its financial or investor data, the Advisers, affiliates or the Funds may also be at risk of loss, despite efforts to prevent and mitigate such risks under the Advisers' policies.

*Business, Terrorism and Catastrophe Risks.* The Funds will be subject to the risk of loss arising from exposure that they may incur, indirectly, due to the occurrence of various events, including hurricanes, earthquakes, and other natural disasters, terrorism and other catastrophic events such as a pandemic. These catastrophic risks of loss can be substantial and could have a material adverse effect on the Advisers' business operations and Funds' portfolios including investments made by the Advisers.

*Cost basis of Monitoring Fees.* There is a risk that because monitoring fees are based on investment cost basis (as opposed to lower of investment cost or fair market value) that the Advisers could continue to receive monitoring fees on impaired assets. To mitigate this risk, Akkadian reports financials to investors on a quarterly basis that are calculated in accordance with the Advisers'

Valuation Policy and Procedures and fair values, in accordance with Accounting Standards Codification 820.

*Inflation.* Some countries, including the United States, currently and may in the future experience substantial rates of inflation, which may have negative effects on the economies and securities markets of their economies. Governmental efforts to curb inflation (such as price controls) may involve drastic economic measures affecting the level of economic activities. There can be no assurance that the relevant governments will be able to exercise effective control over inflation rates or that a high rate of inflation will not have a materially adverse effect on the Funds or their investments.

*Interest Rate Risk.* General fluctuations in the market prices of portfolio investments and interest rates may adversely affect the value of the Funds' Investments and/or increase the risks associated with one or more particular Investments. The ability of the entities in which the Funds invests to repay debt obligations (including making payments to the Funds as a creditor with respect thereto) and/or to refinance debt investments may depend on their ability to obtain financing, which may be difficult to access at favorable rates. Interest rate changes may also affect the value of a debt instrument directly (in the case of adjustable-rate instruments) or indirectly (in the case of fixed rate instruments). In general, rising interest rates will negatively impact the price of a fixed rate debt instrument and falling interest rates will have a positive effect on price. The Federal Reserve may in the future tighten the monetary supply and increase benchmark interest rates or fail to lower benchmark interest rates in line with market expectations, which would be expected to negatively impact the price of debt instruments and could adversely affect the value of the Funds' investments.

Difficult conditions in credit markets may make it difficult for financial sponsors to obtain favorable financing terms for their investments. Any deterioration of the debt markets, any possible future failures of certain financial services companies and a significant rise in market perception of counterparty default risk, interest rates and/or taxes may adversely affect the Funds' ability to generate attractive risk-adjusted investment returns. In addition, the use of tight underwriting standards by lenders has inhibited refinancing and reduced the number of potential buyers. The continued use or further adjustment of these more restrictive loan underwriting standards may adversely affect the availability of credit to finance sales of commercial mortgage loans and for borrowers to sell properties or refinance commercial mortgage loans and may contribute to increases in delinquencies and losses on commercial mortgage loans and loans secured by other assets generally.

Economic difficulties may also adversely affect the financial resources and credit quality of the underlying issuers of any debt instruments in which the Funds may invest, resulting in the inability of such issuers to make principal and interest payments on, or refinance, outstanding debt obligations when due. Any such defaults may have an adverse effect on the Funds' Investments.

In addition, the Funds are permitted and intend to make use of leverage to finance part of their investments. The Advisers expect that the Funds' return on investment may be dependent upon the Funds' ability to secure leverage and/or additional equity capital on attractive terms. As a result, the Funds' ability to achieve attractive rates of return on investments may depend upon the continued ability of the Funds to access sufficient sources of indebtedness at attractive rates, and it is possible that the Funds may not be able to obtain financing.

*Banking Counterparty Risk.* The Advisers rely upon third-party banks or other custodians to hold and safeguard client assets and provide credit facilities that may be used to pay Fund expenses and

purchase new investments. While the Advisers carefully select and monitor their custodians, there is no guarantee that such custodians will not experience financial difficulties or otherwise fail, which could prevent the Advisers or the Funds from accessing client funds, securities, or credit facilities. The Advisers could be required to call investor capital to pay expenses or purchase investments that otherwise would have been financed through a credit facility, or the Funds could be prevented from making timely distributions of investor capital in the event a banking counterparty is shut down by regulators. These events could negatively impact the Funds' performance or result in substantial delays in the return of capital to investors.

*Service Provider Conflicts.* The Advisers are also authorized, from time to time, to employ or retain personnel (including Venture Partners) with pre-existing ownership interests in or who were employed by portfolio companies owned by the Funds or investment vehicles advised by the Advisers or an affiliate. Similarly, the Advisers or their personnel maintain relationships with (or invest in) financial institutions, service providers and other market participants, and their respective affiliates and personnel, including managers of private funds, advisors, consultants, finders (including executive finders and portfolio company finders), executives, attorneys, accountants, institutional investors, family offices, lenders, current and former employees and current and former portfolio company executives, as well as certain family members or close contacts of these persons. Certain of these persons or entities will invest (or will be affiliated with an investor) in, engage in transactions with or provide services (including services at reduced rates) to, the Advisers, or the Funds, or other investment vehicles the Advisers or an affiliate sponsor or advises or portfolio companies. The Advisers will have a conflict of interest with the Funds in recommending the retention or continuation of a third-party service provider to the Funds or a portfolio company owned by the Funds if such recommendation, for example, is motivated by a belief that the service provider or its affiliate(s) will (a) continue to invest in one or more funds advised by the Advisers, (b) provide the Advisers information about markets and industries in which the Advisers operate (or are contemplating operations), (c) provide other services that are beneficial to the Advisers. The Advisers will have a conflict of interest in making such recommendations, in that the Advisers have an incentive to maintain goodwill between the Advisers and the existing and prospective investments for the Funds and investment vehicles that the Advisers or an affiliate sponsor or advises, while the products or services recommended will not necessarily be the best available to the Funds or portfolio companies held by the Funds.

Over the life of the Funds, the Advisers generally expect to exercise their discretion to recommend to the Funds or to an investment thereof that the Advisers contract for services or enter into transactions with various service providers, potentially including, among others: (a) the Advisers (or an affiliate, including venture partners, other portfolio companies of the Funds or other investment funds sponsored or advised by the Advisers or an affiliate) and at rates determined or substantively influenced by the Advisers; (b) an entity with which the Advisers or their affiliates or current or former members of their personnel have a relationship or from which such person derives a financial or other benefit, including strategic alliances, joint ventures or co-venturers; or (c) an Investor (or a limited partner of another fund) or its affiliates. Similarly, the Advisers have incentives to engage Investors to provide services to the Funds or their investments, including warehousing and financing, to establish and maintain goodwill with such Limited Partners, including with respect to investments made or that may be made by the Funds. The products or services recommended may not necessarily be the best or lowest cost option. The foregoing arrangements subject the Advisers to potential conflicts of interest, because although they intend to initiate transactions and select service providers that they believe are aligned with their operational and value creation strategies and that will enhance investment performance, the Advisers will have an incentive to recommend the related or other person or transaction because of

their financial or business interest. Additionally, there is a possibility that the Advisers, because of such incentive or for other reasons (including whether the use of such persons could establish, recognize, strengthen or cultivate relationships that have the potential to provide longer-term benefits to the Advisers, the Funds or other investment funds sponsored or advised by the Advisers or their affiliates), will favor such transaction, retention or continuation even if a better price or quality of service provider could be obtained from another person. The Advisers will not necessarily seek out the lowest cost options when incurring (or causing the Funds or their investments to incur) such expenses. Although Advisers generally seek appropriate rates for services, they reserve the right to prioritize prior usage, perceived sector competence or expertise, familiarity, onboarding speed or other factors in retaining or recommending service providers. Whether or not the Advisers have a relationship with or receive financial or other benefit from recommending a particular transaction or service provider, there can be no assurance that no other transaction would be more beneficial or that no other service provider is more qualified to provide the applicable services or could provide such services at lesser cost.

To monitor any of the potential conflicts described above, the Advisers have oversight procedures designed to periodically confirm that the value of the services, expertise and overall benefits provided by any service providers are commensurate with the direct or indirect costs to the Funds.

Additionally, as further described herein and in the applicable Fund Documents, it is the Advisers' practice to retain certain Venture Partners (collectively, "Venture Partners") to provide consulting and other services to (or with respect to) certain current or prospective portfolio companies in which Ventures VI invests. As compensation, such Venture Partners may receive rights to Carried Interest in Ventures VI. Venture Partners also may invest in Funds and/or portfolio companies in which they have been, or are expected to be, involved.

## **Item 9 – Disciplinary Information**

Neither the Advisers nor any of their management persons have any legal or disciplinary events that would be material to an Investor's evaluation of the Advisers or the integrity of the Advisers' management.



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

Neither the Advisers nor any of their management persons is registered, or has an application pending to register, as: (i) a broker-dealer; (ii) a registered representative of a broker-dealer; (iii) a futures commission merchant; (iv) a commodity pool operator; (v) a commodity trading advisor; or (vi) is an associated person of any of (iii), (iv) or (v).

The Advisers are affiliated with the General Partners. As described in **Item 6**, this creates a potential conflict of interest in that it may cause the Advisers or the General Partners to take greater risks than they may have taken otherwise.

Certain employees of the Advisers invest directly in the Funds via the aforementioned private funds formed to allow certain employees and strategic advisers of the Advisers to invest in the Funds. The Advisers have adopted a Code of Ethics concerning trading by personnel of the Advisers that is designed to detect and prevent potential conflicts of interest between the Advisers and the Funds and Investors. Please refer to **Item 11** below for additional information regarding the Advisers' Code of Ethics.

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

The Advisers' Code of Ethics (the "Code of Ethics") is designed to meet the requirements of Rule 204A-1 of the Advisers Act. The Code of Ethics applies to Access Persons. The "Access Persons" include, generally, any partner, officer or director of the Advisers and any employee or other supervised person of the Advisers (or an affiliate) who, in relation to the Funds, (a) has access to non-public information regarding any purchase or sale of securities, or non-public information regarding securities holdings or (b) is involved in making securities recommendations, executing securities recommendations, or has access to such recommendations that are non-public. All employees of the Advisers are deemed to be Access Persons.

The Code of Ethics sets forth a standard of business conduct that takes into account the Advisers' status as a fiduciary and requires Access Persons to place the interests of the Funds and Investors above their own interests and the interests of the Advisers and their affiliates. All Access Persons are required to acknowledge their receipt of, and agreement to abide by, the Code of Ethics upon hire and at least annually thereafter. The Code of Ethics requires Access Persons to comply with applicable federal securities laws. Further, Access Persons are required to promptly bring violations of the Code of Ethics to the attention of the Advisers' Chief Compliance Officer (the "Chief Compliance Officer").

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

The Advisers manage the potential conflicts of interest inherent in personal trading by Access Persons through rigorous enforcement of its Code of Ethics, which contains limitations on Access Persons' personal investment activities. Access Persons' personal securities transactions must be made in accordance with the Code of Ethics. In addition, the Advisers receive transaction and holdings reports in accordance with Advisers Act Rule 204A-1. Access Persons must receive approval by the Chief Compliance Officer prior to transacting in any Reportable Securities on the Restricted List, as defined in the Code of Ethics and below, respectively, and prior to investing in any private placements or initial public offerings. The Chief Compliance Officer reviews Access Persons' personal transaction and holdings reports in an effort to ensure each Access Person is conducting his or her personal securities transactions in a manner that is consistent with the Code of Ethics. Subject to the aforementioned Code of Ethics policies and procedures, Access Persons invest in other venture capital investments and blind pool venture capital funds, including blind pool funds sponsored by Co-Investment Consultants. The Advisers seek to address any potential conflicts of interest that these investments could create by conducting thorough conflict reviews during the investment due diligence and through disclosure and/or consent to/from investors, where a conflict of interest may exist.

The Advisers maintain a "Restricted List" with the names of issuers of securities about which the Advisers (or its Access Persons) have learned material, non-public information or that may require, for business or legal reasons that the Funds and Access Persons do not trade in the securities for a specific period of time. Without the prior written approval of the Chief Compliance Officer, Access Persons are strictly prohibited from trading securities on the Restricted List (or any other securities

to which the material, non-public information relates). In addition, the Code of Ethics seeks to ensure the protection of non-public information about the activities of the Funds.

As explained in *Item 10* above, the Advisers serve as the investment adviser to the Funds. The Advisers recommend interests in the Funds to prospective Investors. The Advisers, their affiliates and certain Access Persons have invested, and may continue to invest, in the Funds. The General Partners serve as general partner to the Funds. The Advisers believe that when Access Persons invest in the Funds, it aligns such Access Persons' interests with those of such Funds' Investors.

The fact that the Advisers, their affiliates and certain Access Persons each have financial ownership interests in certain of the Funds creates a potential conflict because it could cause the Advisers and their affiliates to make different investment decisions than if such parties did not have such financial ownership interests. Such potential conflicts are addressed by the personal securities transaction pre-clearance and holding requirements described in the Code of Ethics.

The General Partners for each of the Funds will establish committees (each, an "LP Advisory Committee") comprised of representatives of selected Investors in certain of the Funds. When formed, the LP Advisory Committee will provide advice and consent as requested by the General Partner in connection with potential conflicts of interest and other matters related to the respective Fund, pursuant to the applicable provisions of the Fund's Fund Documents.

Investors or prospective Investors may obtain a copy of the Code of Ethics by contacting the Chief Compliance Officer at [peter@akkadian.vc](mailto:peter@akkadian.vc).

## **Item 12 – Brokerage Practices**

The Advisers focus on acquiring securities of private companies and generally purchase such securities through privately negotiated transactions in which the services of a broker-dealer are occasionally retained. Upon the closing of an acquisition of such companies, the Advisers will directly distribute any cash proceeds to Investors. Upon the closing of a public offering of such companies, the Advisers will use a broker-deal to (i) distribute such securities to Investors or (ii) sell such securities and distribute the cash proceeds to Investors. To the extent that the Advisers engage in public securities transactions, they follow the brokerage practices described below.

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

The Advisers have no duty or obligation to seek competitive bidding for the most favorable commission rate applicable to any particular client transaction or to select any broker on the basis of its purported or "posted" commission rate, but the Advisers will endeavor to be aware of the current level of the charges of eligible brokers and to reduce the expenses incurred for effecting client transactions to the extent consistent with the interests of such clients. Although the Advisers generally seek competitive commission rates, they may not necessarily pay the lowest commission or commission equivalent. Transactions may involve specialized services on the part of the broker involved and thereby entail higher commissions or their equivalents than would be the case with other transactions requiring more routine services. Consistent with the Advisers seeking to obtain best execution, brokerage commissions on client transactions may be directed to brokers in recognition of research furnished by them, although the Advisers generally do not make use of such services at the current time. Such research services could include economic research, market strategy research, industry research, company research, fixed income data services, computer-based quotation equipment and research services and portfolio performance analysis. As a general matter, research provided by these brokers would be used to service all of the Funds. However, each and every research service may not be used for the benefit of each and every Fund managed by the Advisers, and brokerage commissions paid by one Fund may apply towards payment for research services that might not be used in the service of such Funds.

As of the date of this brochure, the Advisers have not utilized, and do not intend to utilize, capital introduction or referral services provided by broker-dealers who also offer or provide the above transactional broker-dealer services to the Funds. Accordingly, the Advisers do not consider capital introduction or referral services when selecting transactional broker-dealers for the Funds. The Advisers do not anticipate entering into soft dollar arrangements with respect to securities transactions on behalf of their clients. Should the Advisers enter into any such arrangement in the future, the Advisers will ensure that any soft dollars paid under such arrangement to obtain research and brokerage services will be undertaken in accordance with "safe harbor" under Section 28(e) of the Securities Exchange Act of 1934, as amended.

The Advisers will periodically evaluate the execution performance of broker-dealers to ensure that the services provided by the executing counterparties are the best available and to fully satisfy all

“best execution” requirements. The Advisers’ investment personnel who regularly interact with brokers will be asked to contribute to such review.

The Advisers do not have directed brokerage arrangements.

**Trade Aggregation**

Upon the determination to sell the same publicly listed security through a broker-dealer on behalf of two or more advisory clients, the Advisers will seek to aggregate such purchase or sale orders whenever practicable, cost-efficient and in the best interest of each advisory client and will ensure that orders entered on behalf of two or more advisory clients are allocated in a fair and equitable manner.

### **Item 13 – Review of Accounts**

The Funds' portfolios and investments will be under continuous review by the Advisers' Chief Operating Officer and investment committee members who continuously review investment performance, valuation changes, market developments, adherence to investment guidelines and strategies, risk analysis and monthly reporting.

Generally, the Main Fund Investors will receive unaudited reports at least quarterly. Investors in the Special Purpose Vehicles and Co-Investment Funds receive unaudited quarterly reporting for any quarter during which a material transaction has occurred. In addition, for all of the Funds and certain General Partners, Investors will receive annual audited financial statements within 120 days of the fiscal year-end.

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

The Advisers have entered into arrangements with certain firms for the purpose of obtaining or providing client referrals or servicing clients. A portion of the fees received from such referred Investors is shared with the referring firm. Any such payments are disclosed to the Investor at the time of solicitation, as required pursuant to a written agreement between the investment adviser and the person soliciting clients on its behalf. The Advisers will not engage another person to solicit clients on its behalf if that person has been subject to securities regulatory or criminal action within the preceding ten years.

The Advisers may also enter into placement agreements with registered broker dealers to distribute the Funds advised by the Advisers. All arrangements with solicitors must be approved by the Advisers' Chief Compliance Officer or designee and any approved solicitor must be an appropriately registered broker-dealer with the Securities and Exchange Commission, Financial Industry Regulatory Authority, licensed in appropriate states and/or appropriately licensed in the referring firm's foreign jurisdiction.

## **Item 15 – Custody**

Pursuant to Rule 206(4)-2 under the Advisers Act (the “Custody Rule”), the Advisers are deemed to have custody of the assets held by the Funds and certain General Partners because affiliates of the Advisers serve as the general partners or managing members of the Funds and certain General Partners (specifically, those General Partners who have beneficial owners that are not related persons of the Advisers).

To ensure compliance with the Custody Rule, the Advisers will ensure that the Funds and certain General Partners are subject to an annual audit by an independent public accountant registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board (“PCAOB”) and that the audited financial statements of each Fund will be prepared in accordance with generally accepted accounting principles and distributed to Investors within 120 days of the end of each Fund or General Partner’s fiscal year. Investors should carefully review the audited financial statements upon receipt, and should compare these statements to any account information provided by the Advisers.

As the Advisers’ investment program primarily involves investments in privately offered securities, the Advisers generally will be exempt from the requirement that securities be maintained with a “qualified custodian.” The Advisers anticipate that many of its investments will involve securities (i) that can only be used to effect a transfer or to otherwise facilitate a change in beneficial ownership of the security with the prior consent of the issuer or holders of the outstanding securities of the issue; (ii) that are uncertificated to the extent ownership thereof is recorded only on the books of the issuer or its transfer agent in the name of the client; (iii) whose ownership is recorded on the books of the issuer or its transfer agent in the name of the client; (iv) which contain a legend restricting transfer; and (v) are appropriately safeguarded by the Advisers and can be replaced upon loss or destruction. The Advisers will maintain such certificates with a qualified custodian or otherwise rely on the provisions of the August 1, 2013 IM Guidance Update issued by the SEC’s Division of Investment Management which provides that such certificated, privately-offered securities are no longer required to be maintained with a qualified custodian.

To the extent that the Advisers hold any publicly traded securities or securities which are otherwise ineligible for an exemption from qualified custodian requirement of the Custody Rule, the Advisers will maintain such securities with a qualified custodian in an account in the name of the applicable Fund or General Partner or in accounts that contain only funds and securities owned by the Funds or General Partner, under the Advisers’ name as agent or trustee for the Funds or General Partner. As of the date of this ADV, the primary qualified custodians presently utilized by the Funds are First Republic Bank, Silicon Valley Bridge Bank, N.A., Merrill Lynch, Pierce, Fenner & Smith Inc, and Raymond James & Associates, Inc.



## **Item 16 – Investment Discretion**

The Advisers have discretionary authority to manage securities accounts on behalf of their advisory clients and are authorized to make transaction recommendations for the Funds. Investors do not have the ability to impose limitations on the discretionary authority of the Advisers.

Each Investor must execute a subscription agreement in which it makes various representations, including representations regarding its suitability to invest in a high-risk investment pool. Further, each Investor must execute a limited partnership agreement that contains a limited power of attorney.

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

The Advisers understand and appreciate the importance of proxy voting. The Advisers have developed policies and procedures in the event that it must vote proxies on behalf of its advisory clients.

The Advisers will vote any proxies received in the best interests of the respective advisory client and in accordance with its established procedures. Prior to voting any proxies, the Advisers will review the applicable proxy solicitation materials for potential conflicts of interest. If a conflict is identified, the Advisers will determine whether the conflict is material. If no material conflict is identified pursuant to these procedures, the Advisers will vote such proxy in accordance with the best interests of the respective advisory client.

If a material conflict is identified, the Advisers will consider the conflict and determine what course of action is in the best interests of the respective advisory client. Further, the Advisers will determine (in their sole discretion) whether it is appropriate to disclose the conflict to the respective advisory client.

Investors do not have the ability to direct proxy votes. You may obtain additional information regarding how the Advisers have voted proxies and may obtain a copy of the Advisers' proxy voting policies and procedures by contacting the Chief Compliance Officer by email at [peter@akkadian.vc](mailto:peter@akkadian.vc).

## **Item 18 – Financial Information**

The Advisers have no financial commitment that impairs their ability to meet contractual and fiduciary commitments to clients. The Advisers have not been the subject of a bankruptcy petition.