



Expo Ventures

Professional-Grade VC
for Accredited Investors



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Contact info@av.vc for additional information. To see additional risk factors and investment considerations, visit av-funds.com/disclosures

Overview

- Introduction
- The strong case for venture capital
- Alumni Ventures overview
- Investing in Expo Ventures





Introduction

- **Expo Ventures is part of Alumni Ventures**, America's largest venture firm for individuals, which has **raised \$1.25 billion from individual investors**.
- Expo Ventures seeks to create wealth for USC alumni and supporters by building diversified portfolios of **~20-30 venture capital-backed companies**.
- Expo Ventures has **7K+ alumni** and community member subscribers.
- **Expo Ventures is powered by the ~40 full-time venture investors** employed by Alumni Ventures who work together to construct high-quality and diversified venture portfolios, and especially look for competitive investment opportunities that have a USC alumni connection.
- We support the USC community with our **Fellows Program** and potential job opportunities and, of course, our portfolio companies often run by USC alumni, **helping with connections, capital, and customers**.

1. Largest VC for individual investors in the U.S. based on the combination of total capital raised, number of investments, and number of investors of leading VC firms as reported by Pitchbook and other publicly available information reviewed by AV.



How Do We Get Access to Great Investments?

Network-Powered Venture Capital

- **Alumni-centric approach creates a nexus of powerful connections**, empowering startup founders by providing capital and access to a network of 625K+ community members from leading universities.
- Our value-add to entrepreneurs is highly appealing — **one of the best rolodexes in the venture industry.**
- Connecting entrepreneurs to advisers, clients, partners, and potential employees.
- CEO Services helps our portfolio companies grow by leveraging our expertise and extensive community.



10,000+

Individual investors

1,300+

Founders of our portfolio companies

625k+

Community members

~130

Full-time employees

Notable investments in the AV Fund Family: **Upstart, Lacework, Carta, Algorand, SonderMind**

NOTE: For illustration purposes only. These investments are not intended to suggest any level of investment returns; not necessarily indicative of investments invested by any one fund or investor. Many returns in investments result in the loss of capital invested. These investments are not available to future fund investors except potentially in certain follow-on investment options. For information on individual portfolio company exit events across all AV Funds over the prior twelve months, click [here](#). To see additional risk factors and investment considerations, click [here](#). Contact info@av.vc for additional information.

Venture Investing Is Smart Investing

- **VC has outperformed the public market equivalents** in the 5-, 15-, and 25-year periods ending December 31, 2020.¹
- **VC is largely uncorrelated to the public markets**, making it attractive from a portfolio risk-mitigation perspective.²
- **Significantly more value is being created in the private markets** today than in recent years.³
- **VC portfolios** — if properly sized and diversified — **have favorable risk/reward profiles** that continue to attract more capital from the most sophisticated institutional investors.⁴

1. Maureen Austin, David Thurston, William Prout, "Building Winning Portfolios Through Private Investments," Cambridge Associates, August 2021. Data is from 12/31/2020.

2. Invesco, "The Case for Venture Capital," Invesco White Paper Series, accessed January 11, 2022.

3. Anna Zakrzewski, Edoardo Palmisani, Giovanni Covazzi, Brian Teixeira, Bruno Bacchetti, Marco Bizzozero, Kunal Shah, Theresa Boehler, and Federico Rizzato, "The Future is Private: Unlocking the Art of Private Equity in Wealth Management," BCG, March 2022.

4. Greg Gethard, "Why College Endowments are Betting big on VC and PE," Venture Capital Journal, February 24, 2023.

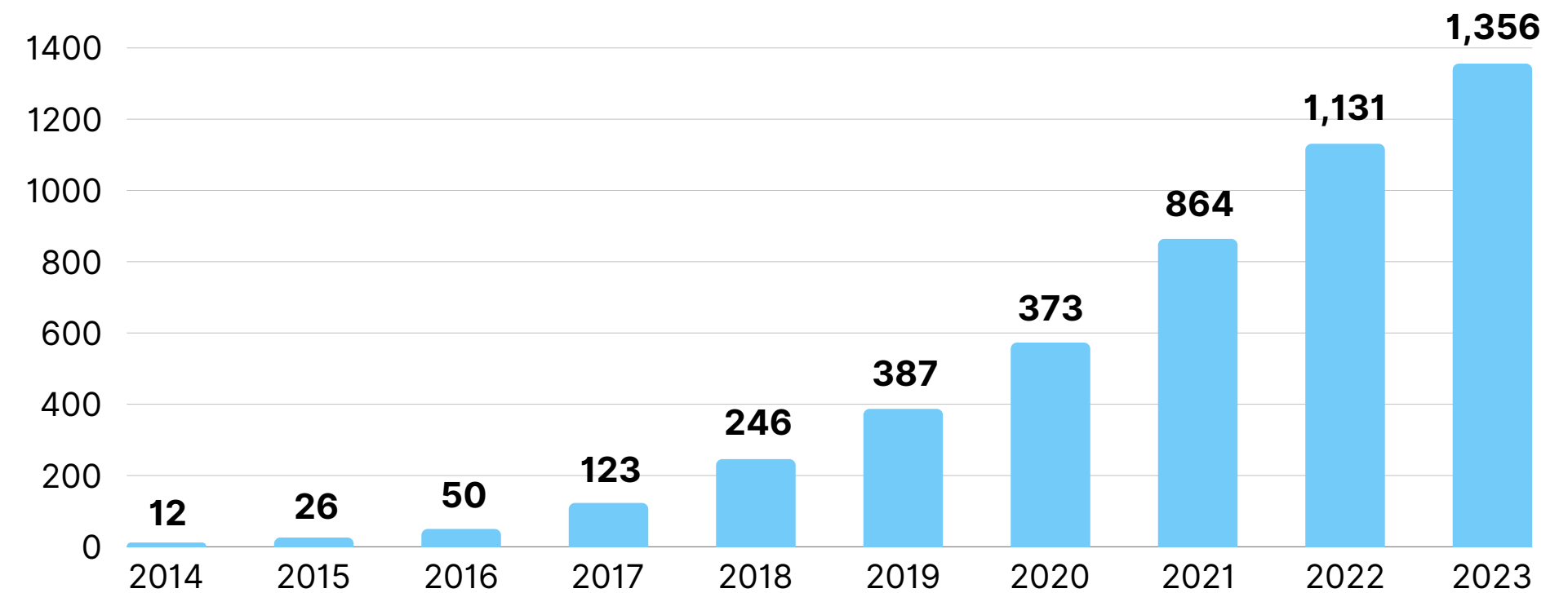


10K+ Individuals Already Trust Us With Their Venture Investing



- We are America's largest venture firm for individual investors.¹
- We are the #1 most active venture firm in the U.S. and #3 globally (PitchBook '22 and '23).
- Since 2014, \$1.25B+ capital raised and rapidly growing portfolio of 1,300+ companies.
- ~40 full-time venture investors, supported by ~90 other full-time employees.

Unique Portfolio Companies Cumulative



¹. Largest VC for individual investors in the U.S. based on the combination of total capital raised, number of investments, and number of investors of leading VC firms as reported by Pitchbook and other publicly available information reviewed by AV.

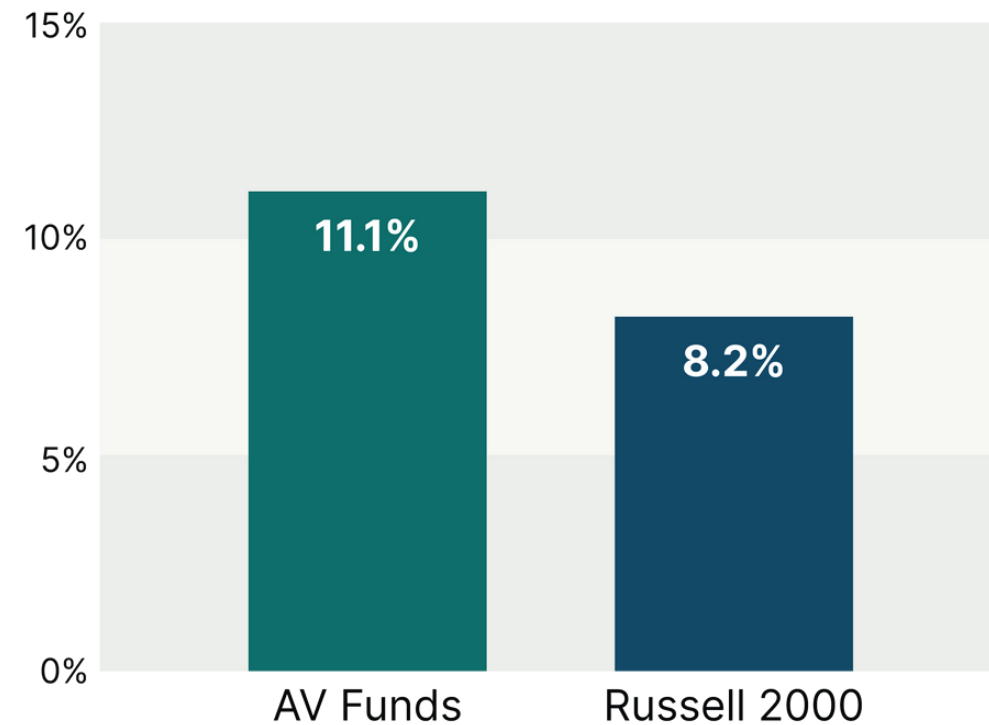


Historical Performance Compared to Public Markets and Industry Benchmarks

AV Funds Have Performed Favorably Compared to Public Market Equivalents

Returns of Alumni Ventures Funds Investments vs. Public Market Equivalents¹

Vintage Years 2014–2020 (IRR)
As of 12/31/2023



AV Funds vs. Industry

Per Cambridge Associates²

VINTAGE	AV DPI
2016	~TOP QUARTILE ³
2017	TOP QUARTILE
2018	TOP QUARTILE
2019	TOP QUARTILE
2020	TOP QUARTILE

1. Internal Rate of Return (IRR) for AV Funds is net of management fees and incentive allocations applied to amounts distributed to investors, and gross of incentive allocations applicable to unrealized gains on investments held by AV Funds. IRR for AV Funds includes uninvested cash, unrealized investments, and amounts distributed to investors. The IRR shown for the Russell 2000 indices is gross of fees because indices are not managed investments, and it is not possible to invest directly in an index. For additional information see av-funds.com/disclosures. All investment involves risk, including risk of loss. Past performance is not necessarily indicative of future results. For more information on AV Funds' investment returns, please see here.

2. Performance data is from Cambridge Associates Venture Benchmarks and is as of 9/30/2023. Industry Top Quartile as determined by Cambridge Associates. Distributions to Paid-In Capital (DPI) for AV Funds and Industry Top Quartile is net of management fees and net of incentive allocations applied to amounts distributed to investors. For additional information on Cambridge Associates and the data and calculations see av-funds.com/disclosures.

3. AV's 2016 vintage has a DPI of .72, and Top Quartile is .73.

WHAT WE DO

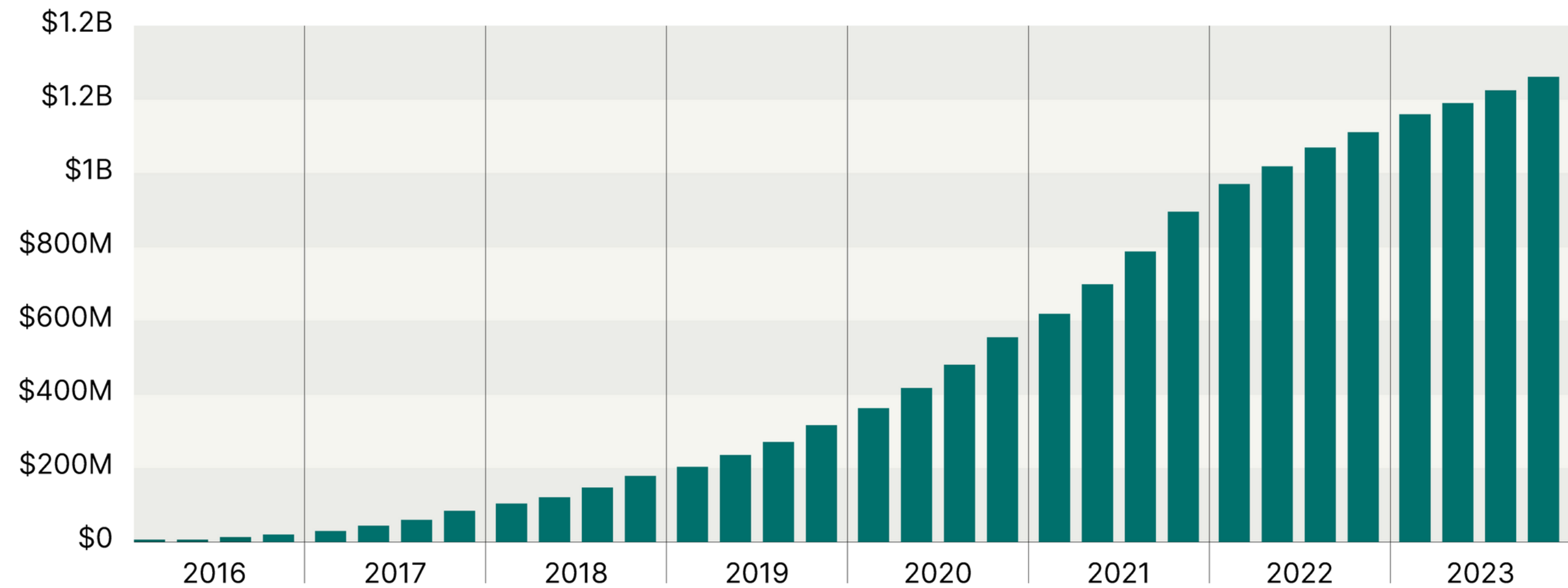
AV is a **disruptive** venture firm

 Alumni Ventures

Our Growth



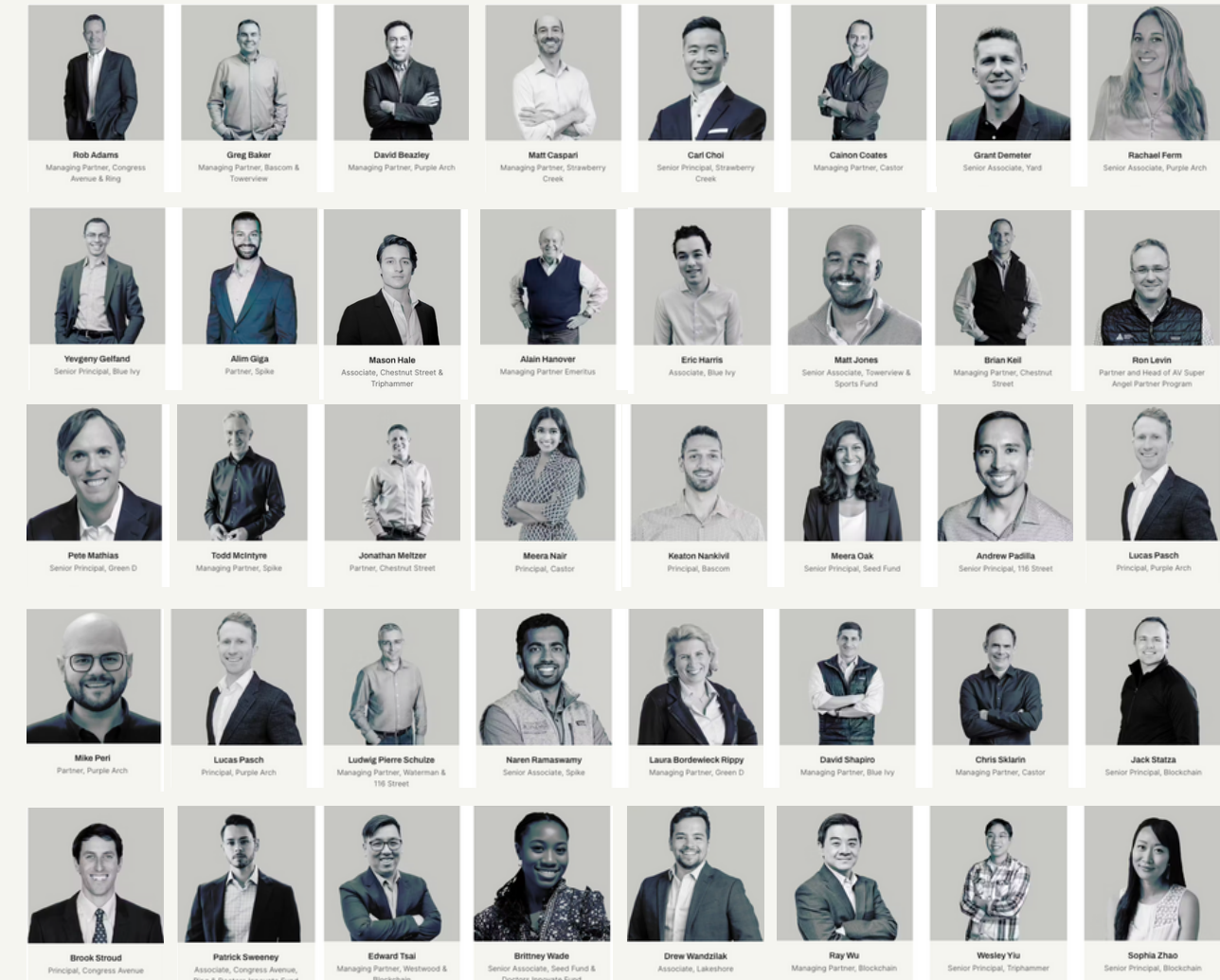
Growth of Fundraising Cumulative Dollars Raised



Vetted Deals Sourced From Extensive Team & Network

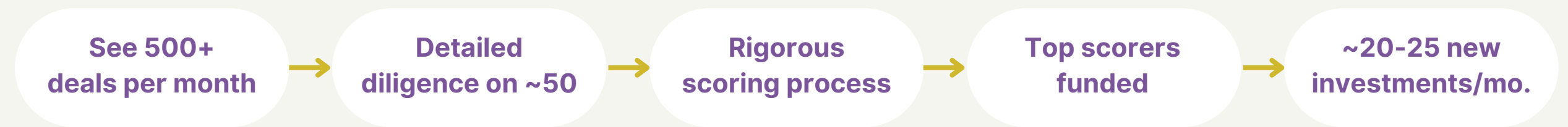
~40 full-time investment professionals with broad networks & investing expertise, connections to alumni of top schools

- Deal flow stems from our investment teams, 625K member community, extensive high-quality VC network
- Exclusively co-investor; highly selective from massive deal flow
- Disciplined, rigorous, and selection scoring process using the wisdom of small crowds
- Diversified portfolios



As of 12/8/23

Our Investment Deal Flow



Getting Into Great Deals

Our Promise to Venture CEOs

Speed

Evaluate, decide, and communicate, respecting an entrepreneur's time

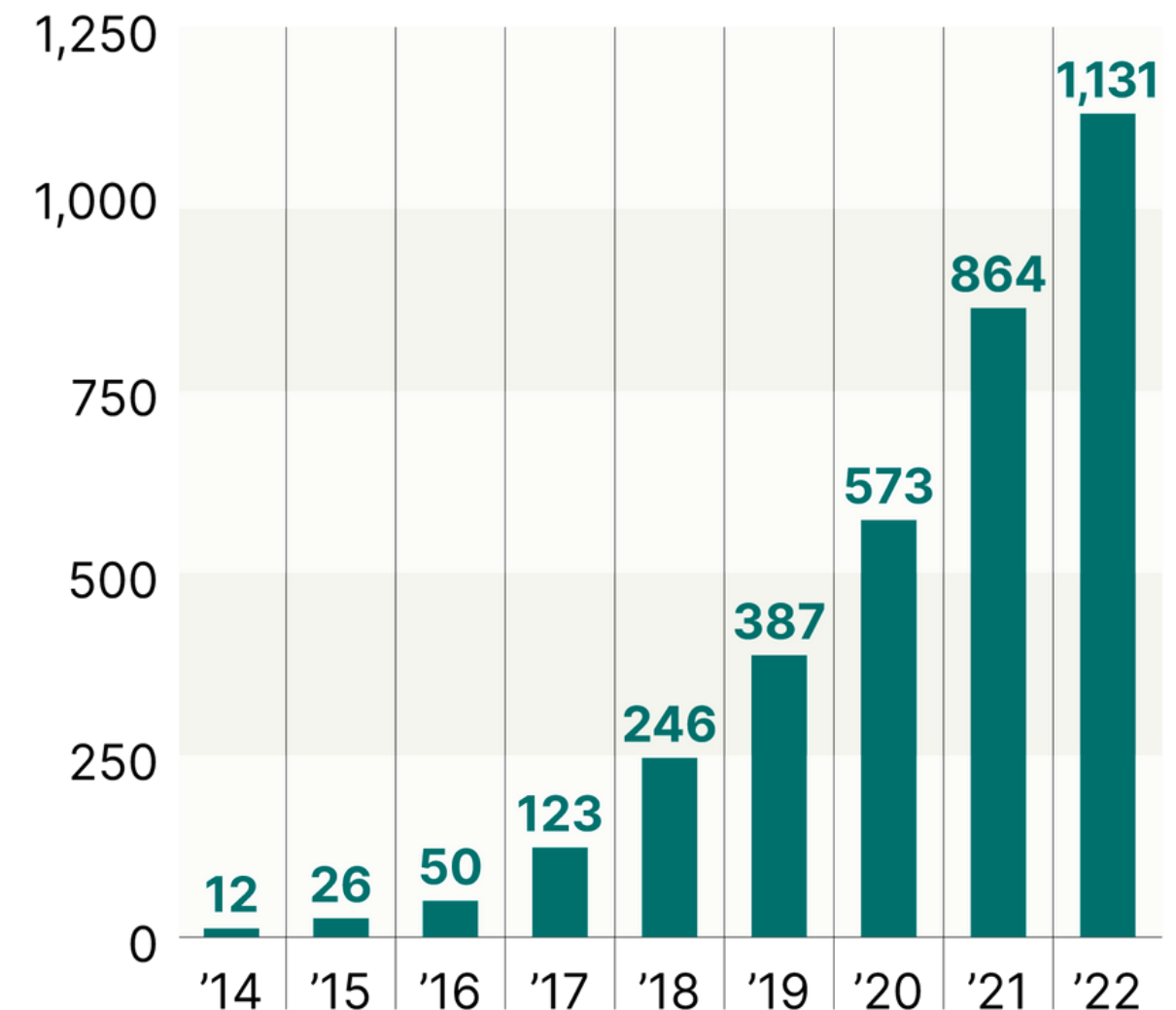
Flexibility

Ability to tailor check to address opportunity potential and allocation availability (\$50K-\$10M)

Network power

Help portcos succeed through activating AV's network via our CEO Services

Unique Portfolio Companies Cumulative



AV Co-invests With Experienced Venture Firms and Sector Experts



AV has relationships with hundreds of venture firms globally; below is a sample of some of our frequent co-investors

ANDREESSEN HOROWITZ

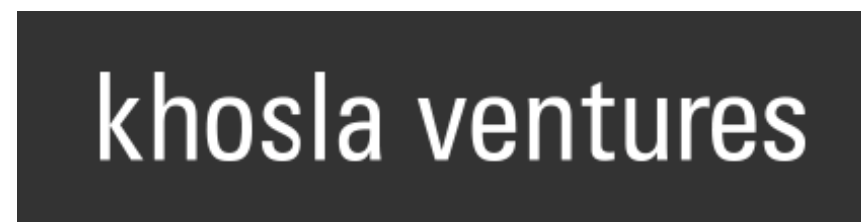
Andreessen — 38 co-investments



Kleiner Perkins — 21 co-investments



First Round
— 16 co-investments



Khosla — 40 co-investments



NEA — 23 co-investments



GV — 20 co-investments



Y Combinator
— 55 co-investments



Union Square Ventures
— 13 co-investments



Sequoia — 32 co-investments

*as of November 2023

NOTE: Co-investors are shown for illustrative purposes only and do not represent all co-investors with which AV has invested. There can be no guarantee of who may be co-investors in the future. The identity of any co-investor is not a guarantee of investment quality or performance. Venture capital investing involves substantial risk, including the risk of loss of all capital invested. Past performance does not guarantee future results.



Testimonials

Why Investors & Founders Choose Us

NOTE: Testimonials and Endorsements were provided without compensation but each provider has a relationship with AV from which they benefit. Management of portfolio companies have received, and may in the future receive, investments from AV funds, which constitutes a conflict of interest. All views expressed are the speaker's own. The providers of the testimonials/endorsements were not selected on objective or random criteria, but rather were selected based on AV's understanding of its relationship with the providers of the testimonials / endorsements. The testimonials and endorsements do not represent the experience of all AV fund investors or all companies in which AV funds invest.

Access

"It's been great investing via Alumni Ventures. I loved their speed and love their solutions for international investors. Their dashboard makes data very transparent. I can find out exactly what startups are part of the various funds that I invested in and how each startup is doing."



Karim Tadjin
Investor

Strategy

"Despite my association with AV for only about a year, I have found them deliberate and diligent in evaluating portfolio companies they recommend. The portfolio managers are capable subject experts and are willing to give their time to explain the investment philosophy to even a novice like myself; truly a world-class organization."



Jayesh Mehta
Investor

Value-add

"When I was raising our seed round, a very well-known founder friend of mine said, 'Do you know Bascom Ventures? The whole Alumni Ventures group is seriously one of the most value-add investors I've ever seen.' There is no better reference you can get than from another founder."



Robert Crowe
CEO & Co-Founder, Matchwell

The Network

"I've been impressed and most appreciative of the speed with which your team operates. I was just telling [my Co-Founder] Tom the other day that, based on the quality of the folks you've been able to connect us with already, this could have a material impact on our business!"



Jonathan Lacoste
CEO, Jebbit

Our Network-Powered Investing Process

A global, unified investing engine powered by Alumni Ventures and executed by our investment teams

Alumni Ventures' Role



Constructing the Expo Ventures Fund Portfolio

- Team of ~40 full-time venture investors -all employed by Alumni Ventures - work together on deal sourcing and diligence
- We build a portfolio of ~20-30 venture investments, diversified by stage, sector, and geography
- Many of the investments have a direct connection to USC alumni
- Be a value-added partner to the USC entrepreneurial network
- Build strong relationships with USC founders / VCs



Expo Ventures

- Portfolio of ~20-30 ventures
- 10-year fund, fully invested over 12-18 months, with reserves for follow-ons
- One capital call
- Investment minimum: \$25k; maximum \$3M; typical range has been \$50-\$75k



Spotlight: Sample Investments¹ with USC Connections²

Creating diversification across stage, sector, and lead investor during a particular time period



ELLEVEST

A transformative financial technology company created to help women achieve their financial potential.

CO-INVESTORS

Rethink Impact, PSP Growth, Salesforce Ventures, Khosla Ventures, PayPal, Mastercard, Pivotal (Melinda Gates), Eric Schmidt

USC CONNECTION

Connie Hsiung, VP of Finance



HOPSKIPDRIVE

A web and mobile-based platform that offers alternative transportation for children and teens to assist with education.

CO-INVESTORS

Repower Group/Cyrus Capital, Upfront, FirstMark, Greycroft

USC CONNECTION

Bryan Dickson, CTO

Turing

TURING

A talent platform intended to deploy the acquisition of engineers with a touch of a button.

CO-INVESTORS

Foundation Capital, Founders Fund, Adam D'Angelo, Cyan Banister, Gokul Rajaram, Jeff Morris Jr

USC CONNECTION

Zac Wu, Performance Marketing



STRIVR

A virtual reality platform that allows companies to run simulated-training programs for employees

CO-INVESTORS

Georgian Partners, Great Point Partners, Signia Ventures

USC CONNECTION

Derek Belch, Co-Founder & CEO

1. NOTE: For illustration purposes only. These investments are not intended to suggest any level of investment returns; not necessarily indicative of investments invested by any one fund or investor. These investments are not available to future fund investors except potentially in certain follow-on investment options. The sample co-investors listed are some that AV has historically co-invested with and is not a predictor of future co-investors for any given portfolio company. There is no guarantee of who will be the co-investors. Many returns in investments result in the loss of capital invested.

2. AV considers relevant connections with a portfolio company to include alumni of the school and friends of its community that are members of company management, board members, investors or advisors.

Alumni Ventures Key Terms

- **Investment Amount:** \$25K - \$3M
- **How to Invest:** With cash, trusts, retirement funds, or vehicles created for non-U.S. citizens.
- **Management Fee:** AV charges an amount equivalent to 2% annual management fee for a fund's 10-year term. Loyalty rewards for commitments at qualifying threshold; [see here](#) for more information.
- **Profit Share:** Investors are typically paid proceeds from investments within 45 days following the quarter in which a portfolio company exits or provides a distribution. After the capital contributions, including the management fee, allocable to an individual portfolio company investment are returned to investors, AV shares profits realized on that investment 80/20 (80% to investors and 20% to AV). This calculation is done for each investment made by the Fund and is referred to as "Deal Carry."*
- **One Capital Call:** AV will take its management fees when you fund your commitment and charges the fund no other expenses for items such as travel, fund formation, accounting or other admin-related costs, so you will not be subject to any additional capital calls throughout the life of the fund.
- **Term:** Liquidity is provided over ten years as investments exit. There are no more management fees if a company remains in a fund beyond 10 years.
- **Retirement Account Investing?** Yes, available.

NOTE: Different funds have different profit-sharing structures; see AV's full Fees & Profit Sharing disclosure [here](#).



QSBS: A Potential Significant Tax Advantage

Certain investments with Alumni Ventures **may potentially be 100% tax-exempt** from federal and some state capital gains (up to \$10M) through QSBS.

- **Investments that may be eligible for QSBS will be noted on K-1**
- **Investing earlier = more potential companies qualify:** You can only get the benefit if your personal investment in the fund is fully signed and funded prior to the fund investing into a given company.
- **Expectation setting:** It's impossible to predict the volume and scale of what future exit and liquidity events will look like. We we expect there to be many qualifying exit events throughout our portfolios that have a widespread positive impact for our investors.



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Questions? Our Senior Partners Are Here to Help



DAN BURNS
Senior Partner



STACEY TSAI
Senior Partner



DARRIN WIZST
Senior Partner



EXPO
VENTURES

[View Fund Materials](#)



or Book a Call

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 Alumni Ventures

Appendix

Venture Capital Has Outperformed Public Markets



U.S. VC Index Returns vs. Public Market Equivalents¹

Years Ended September 30, 2023



Venture capital has outperformed public market equivalents in the 3-, 5-, 15-, and 25-year periods ending September 30, 2023.

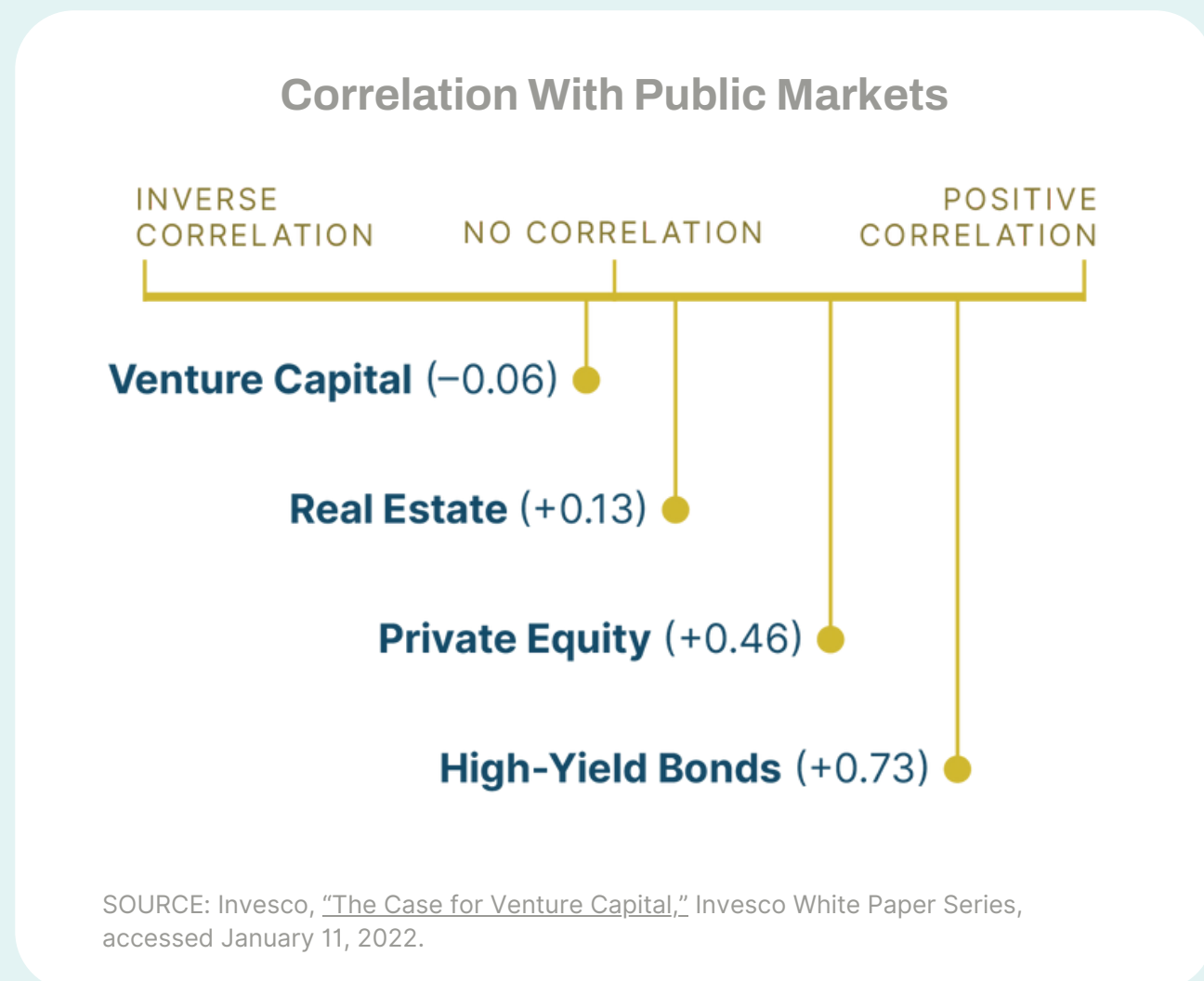
1. Pooled horizon return, net of fees, expenses, and carried interest.

2. CA Modified Public Market Equivalent (mPME) replicates private investment performance under public market conditions. The public index's shares are purchased and sold according to the private fund cash flow schedule, with distributions calculated in the same proportion as the private fund, and mPME NAV is a function of mPME cash flows and public index returns. "Value-Add" shows (in basis points) the difference between the actual private investment return and the mPME calculated return. Refer to Methodology page for details.

3. Constructed Index: MSCI World/MSCI All Country World Index: Data from 1/1/1986 to 12/31/1987 represented by MSCI index gross total return. Data from 1/1/1988 to present represented by MSCI ACWI gross total return

Venture Capital Is Largely Uncorrelated to Public Markets¹

Uncorrelated assets can help mitigate a portfolio's overall risk when public markets are down or choppy



- Invesco's whitepaper "The Case for Venture Capital" shows that Venture Capital is **not correlated with the U.S. large caps in the public markets.**²
- A third-party analysis of thousands of venture deals done between 2015 and 2020 show that **performance is uncorrelated to the Nasdaq.**³
- From 1994 to 2017, the Cambridge Associates Private Equity Index registered **volatility half of that of the S&P and lower than the 10-year Treasury.**⁴

1. TopTier Capital Partners, "The Inverse Correlation Between Venture and Public Markets," TTCP Blog, March 2, 2016.

2. Invesco, "The Case for Venture Capital," Invesco White Paper Series, accessed January 11, 2022.

3. AngelList (2020, May 12). "Innovation isn't Correlated with the Markets," Head of Data Science, AngelList Abe Othman.

4. CFA Institute (n.d.). "Private Equity: Fooling Some of the People All of the Time?" Nicolas Rabener. Retrieved January 31, 2023.

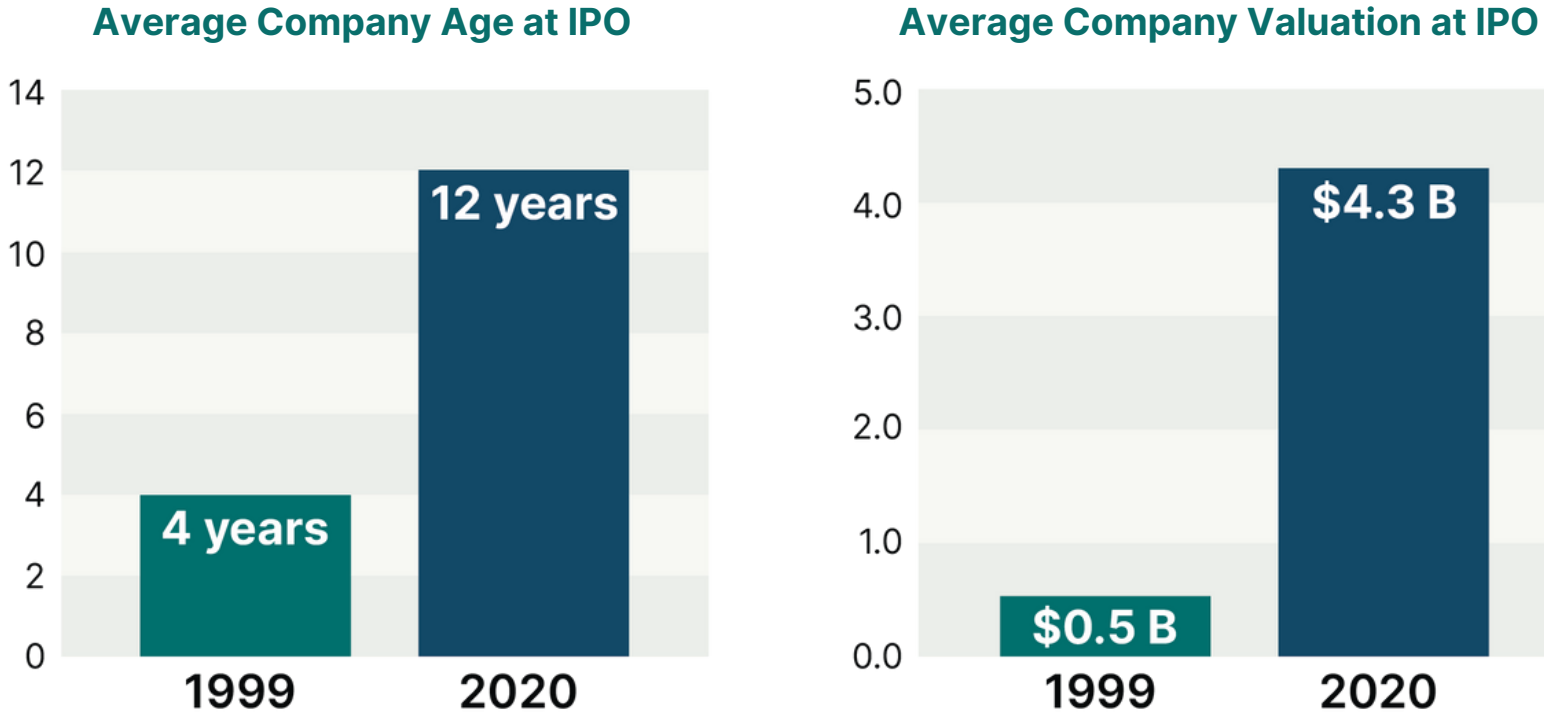
We Are Living in a Different Era

Most Individuals Are Missing Out on Substantial Value Creation

Venture investors can tap tremendous value created by private companies

- Companies are staying private much longer in today's world.¹
- Significant value is generated, but only to the benefit of private-market investors.²
- Public-market investors miss out from enormous value creation in private markets.

More Value Is Being Created Before the Public Markets



SOURCE: Anna Zakrzewski et al., "The Future is Private: Unlocking the Art of Private Equity in Wealth Management," BCG, March 2022.

1. Anna Zakrzewski et al., "The Future is Private: Unlocking the Art of Private Equity in Wealth Management," BCG, March 2022.
2. Jason Thomas, "Global Insights Reflections on the Revolution in Finance," Carlyle, February 8, 2021.

Sophisticated Investors Are Increasing Allocation to VC

According to a 2021 Cambridge Associates whitepaper:¹

- \$3 billion+ endowments had an **average allocation to private equity/venture capital of 28.2%**.
- Institutions with higher private investment allocations **experienced higher returns historically**.
- And those **returns tended to be less volatile**.
- Relative benefits are even more dramatic for VC alone.

“College endowments of \$1B+ on average allocated over 14% of their portfolios to venture capital in 2022.”

— VENTURE CAPITAL JOURNAL, 2023²

“Endowments of all sizes have been increasing their commitments to private funds over the last five years.”

— CAMBRIDGE ASSOCIATES, 2022³

“U.S. institutional investors are looking to allocate more of their portfolios to alternative investments as a way to combat inflationary pressure.”

— BOSTON-BASED CERULLI ASSOCIATES, 2022⁴

“In a recent study, UHNW families are allocating 10% of their total portfolios to venture capital.”

— CAMPDEN WEALTH RESEARCH STUDY⁵

1. Maureen Austin, David Thurston, William Prout, “Building Winning Portfolios Through Private Investments,” Cambridge Associates, August 2021. Data from 12/31/2020.

2. Greg Gethard, “Why College Endowments are Betting big on VC and PE,” *Venture Capital Journal*, February 24, 2023.

3. Suzanne Brenner and Justin Reed, “Market and Portfolio Update Q3 2022,” Brown Brothers Harriman, July 26, 2022.

4. Laxman Pai, “U.S. Institutional Investors Increase Allocation to Alternative Investments,” *Opalesque*, December 9, 2022.

5. Francois Botha, “6 Family Office Trends In Direct And Venture Capital Investment,” *Forbes*, August 20, 2020.

Syndications

Invest in a single company or a small group of companies to personalize your portfolio and lean into investments that resonate.

- All investments sourced, sponsored, and invested in by our funds.
- You decide how frequently you want to see these opportunities and whether or not to invest.
- We share our diligence materials via a secure data room.

Carry1st

Carry1st is a full-stack publisher of social games and interactive content with a focus on Africa's dynamic, rapidly growing mobile and gaming market.



Aescape is a robotics-enabled massage platform offering a customizable experience that mimics human touch.



Believer aims to be the next big name among gaming studios, disrupting the "box product" mindsets of past games with a new era of non-linear, multi-player, open gameplay.

NOTE: Syndications are private investment opportunities in single-asset or multi-asset funds, which give you a chance to gain exposure to specific private companies in which AV Funds will also be investing. Opportunity availability is governed by AV management based on member preference, calendar, availability, allocation, and other factors. Unlike other AV funds, Syndications are not diversified investments and do not offer the potential for risk mitigation sought by some diversified investment strategies.

RISK FACTORS AND INVESTMENT CONSIDERATIONS

Investments in Reliance on Rule 506(c) of Regulation D; Ability to Participate in Investments Dependent upon Status as an Accredited Investor.

The fund may acquire one or more securities in transactions involving a general solicitation. The offering entities of these securities may charge certain fees and expenses, including a portion of the amount invested from each investor and a portion of the proceeds when the investment has a liquidity event. If an issuer admits even one investor who is not accredited, it would be likely to have a material adverse effect on such issuer. Further, the SEC has adopted regulations under which crowdfunding may be used by small issuers to seek funding from non-accredited as well as accredited investors. Consistent with those regulations, the fund may locate and acquire securities through registered funding portals as well.

FEES; TIME REQUIRED TO MATURITY OF INVESTMENT; NATURE OF INVESTMENTS.

The fund is subject to substantial fees which AV may keep irrespective of profitability. This fee maybe offset by profits on income generated from securities or sales of securities to avoid losses. Furthermore, any profits earned by the fund or for certain funds, its investments regardless of overall fund profits, will be subject to the promoted interest from which AV or its affiliates will benefit. There can be no assurances that AV will be able to secure investment capital in amounts sufficient to provide the fund with enough capital to enable it to meet its investment objective. While the fund intends to invest in the number of securities identified in the materials even if only a minimal amount is raised, the fund may not be able to meet this objective or may not be able to invest in some securities due to it not being able to meet minimum investment requirements. There can be no assurance that AV will either identify or consummate profitable investments for the fund. It is anticipated that a period of time will be required for AV to identify and effect acceptable investment opportunities sufficient to fully invest the capital received by the fund. The securities will be comprised primarily of “restricted securities” and the fund will not be able to readily liquidate such securities. Investments in start-ups and emerging companies are highly speculative. The portfolio companies may require several years of operations prior to achieving profitability and may never achieve profitability. The securities will be illiquid and may not have realizable value for several years, if ever. The securities acquired by the fund may be subordinated or junior in right of payment to senior or secured debt or other equity holders. In the event a portfolio company cannot generate adequate cash flow to meet debt service, all or part of the principal of such company’s debt may not be repaid and, in such event, the value of the securities could be reduced or eliminated through foreclosure on the portfolio company’s assets or the portfolio company’s reorganization or bankruptcy.

PORTFOLIO COMPANY RISKS.

Although the fund’s investments may offer the opportunity for significant gains, such investments will involve a high degree of business and financial risk that can result in substantial losses. These risks include the risks associated with investment in companies in an early stage of development or with limited operating history, companies operating at a loss or with substantial variations in operating results from period to period, and companies that need substantial additional capital to support expansion or to achieve or maintain a competitive position. AV expects that most portfolio companies will require additional capital, the amount of which will depend upon the maturity and objectives of the particular portfolio company. It is anticipated that each round of funding will provide a portfolio company with enough capital to reach the next major valuation milestone. If the capital provided is insufficient, or for other reasons, the portfolio company may be unable to raise the additional capital or may have to do so at a price unfavorable to the prior investors including the fund. The availability of capital also is a function of capital market conditions that are beyond the control of the fund or any portfolio company. There can be no assurance that AV or the portfolio companies will be able to predict accurately the future capital requirements necessary for success or that any additional funds will be available from any source.

LIMITATIONS ON LIQUIDITY OF INVESTMENTS; EFFECT ON VALUE.

It is anticipated that a substantial portion of the fund’s investments will consist of securities that are subject to restrictions on sale by the fund because they were acquired from the issuer or a third party in “private placement” transactions or because the fund is deemed to be an affiliate of the issuer under applicable law.

LEGAL DISCLOSURES

Each of the various funds is a different series of Alumni Ventures Group Funds, or Alumni Ventures Sidecar Funds, LLC (AV Funds). Each of the funds involves a different investment portfolio and risk-return profile. The manager of each fund is Alumni Ventures Group Funds, LLC, a Delaware-based venture capital firm.

RISK FACTORS AND INVESTMENT CONSIDERATIONS

The risks of purchasing an Interest include, but are not limited to, the following:

General; Operating History of the Fund; Risks Inherent in Investment Strategy.

The purchase of units in the fund is highly speculative and involves significant risks, and the units should not be purchased by any person who cannot afford the loss of their entire investment. The investment objective of the fund is also highly speculative. Holders of units may be unable to realize a substantial return on their investment in the units, or any return whatsoever, and may lose their entire investment. For this reason, each prospective purchaser of units should read all offering and legal materials carefully and consult with their attorney and business and/or investment advisor. The fund does not have any significant business history or operating experience that investors can analyze to aid them in making an informed judgment as to the merits of an investment in the fund. There can be no assurance that the fund will be able to generate revenues, gains or income, or, even if it generates revenues, gains or income, that its investments will be profitable. Any investment in the fund should be considered a high-risk investment because investors will be placing their funds at risk in an unseasoned start-up investment vehicle with the attendant unforeseen costs, expenses, and problems to which a new business is often subject. The fund has been newly organized to acquire securities. Those securities will be highly speculative. The composition and terms of the securities, as well as the portfolio companies or other funds issuing such securities, has not been determined and will be influenced by various factors, including the availability and pricing of the securities, the expected growth potential of the portfolio companies, and the availability of fund capital allocated to purchase such securities. The fund's strategy is to rely on information provided by potential portfolio companies and on the AV's independent research and judgment. No assurance can be given that information provided by third parties will be accurate or that the fund's investment strategy will be successfully implemented.

Generally, the fund will not be able to sell these securities publicly without the expense and time required to register the securities under the Securities Act, or may only be able to sell (or may choose to sell) the securities under Rule 144 or other rules under the Securities Act, which permit only limited sales under specified conditions.

INVESTMENT VALUATION DETERMINED BY AV.

AV will be responsible for the valuation of the fund's investments in its portfolio companies that are not listed or otherwise traded in an active market. There is a wide range of values that are reasonable for an investment at a given time and, ultimately, the determination of fair value involves subjective judgment not capable of substantiation by auditing standards. In some instances, it may not be possible to substantiate by auditing standards the value of the fund's investment in a portfolio company. In connection with any future in-kind distributions that the fund may make, the value of the securities received by investors as determined by AV may not be the actual value that the investors would be able to obtain even if they sought to sell such securities immediately after an in-kind distribution. In addition, the value of an in-kind distribution may decrease or increase significantly subsequent to the distributees' receipt thereof, despite the accuracy of AV's evaluation.

No Market for Units.

Funds will only be available for distribution when securities are sold or when distributions of funds are made by portfolio companies with respect to any securities. The time that distributions are actually made will be solely dependent upon the timing of the realization of proceeds from the securities and the determination of AV to distribute any such funds. No market for the units exists, and it is not anticipated that one will develop. The units are not redeemable or transferable except as outlined in the Operating Agreement. Purchasers of the units will be required to bear the economic risk of their investment for an indefinite period of time. The units are not registered under the Securities Act or applicable state securities laws and may not be re-sold unless they are subsequently registered or an exemption from registration is available. Investors have no right to require, and the fund has no intention of effecting such registration. Consequently, an investor may not be able to liquidate an investment in the units, and a bank may be unwilling to accept the units as collateral for a loan. The units will not be readily marketable, and purchasers thereof may not be able to liquidate their investments in the event of an emergency.

Conflicts of Interest; Co-Investment; Cross-Class Liability.

AV, the members of the investment committees of the AV funds with which the fund co-invests, and their respective affiliates may face various conflicts of interest in connection with their respective relationships and transactions with the fund. AV's other clients, and/or its personnel, may invest on a side-by-side basis with the fund, the fund may invest in securities in which another client has invested, or another client may invest in an opportunity that may also be appropriate for the fund. AV and its affiliates currently have other investments that may compete directly with the fund for investment opportunities and AV intend to organize and manage additional entities similar to the fund. In addition, the fund and other clients may seek to invest in portfolio companies based on rights to participate granted in connection with the fund's or other clients' prior investment in the portfolio company. Over time AV will allocate investment opportunities in a fair and equitable manner acting in the best interest of its clients as determined by AV's sole discretion. AV will consider whether each selected investment is suitable for each client based on criteria germane to that client, which may include legal, tax, regulatory, and other criteria, such as the client's investment objectives, strategy, and diversification requirements and available cash to invest. AV and its affiliates will not be prohibited from making additional investments or participating in business ventures outside of and independent of the fund.

Compensation to Manager and Its Affiliates; Lack of Separate Representation.

It is anticipated that counsel to AV will continue to represent AV and the fund after the consummation of the offering described herein. Such counsel has not acted independently on behalf of the investors, and potential investors should consult with and rely on their own legal counsel with respect to analyzing the terms of this investment and any future matters related to the fund or the ownership of units in the fund.

Contact info@av.vc for additional information. To see additional risk factors and investment considerations, visit av-funds.com/disclosures