# Badger Fund of Funds I, L.P.

(a Delaware limited partnership)

Audited Financial Statements

June 30, 2021

Tel: 608-836-7500
Fax: 608-836-7505
www.bdo.com

One Erdman Place, Suite 404
Madison, WI 53717

General Partner
Badger Fund of Funds I, L.P.
Madison, Wisconsin

### *Opinion*

We have audited the financial statements of Badger Fund of Funds I, L.P. (the "Partnership"), which comprise the statement of assets, liabilities and partners' capital, including the schedule of investments, as of June 30, 2021, and the related statements of operations, changes in partners' capital, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Partnership as of June 30, 2021, and the results of its operations, changes in its partners' capital, and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### *Basis for Opinion*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Partnership and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Partnership's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

### *Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Partnership's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Partnership's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

BDO USA, LLP

Madison, Wisconsin
October 25, 2021

# Badger Fund of Funds I, L.P.
(A Delaware Limited Partnership)

## Statement of Assets, Liabilities and Partners' Capital

June 30, 2021

### Assets:

| | |
|---|---|
| Cash | $ 62,915 |
| Collective investment vehicles (cost $10,974,761) | 10,349,470 |
| Due from Limited Partners | 24,857 |
| Total assets | 10,437,242 |

### Liabilities and Partners' Capital:

### Liabilities

| | |
|---|---|
| Line of credit (Note 6) | 383,250 |
| Payable for pending investment transactions | 43,615 |
| Accrued expenses | 24,380 |
| Due to Sun Mountain Capital, L.L.C. | 9,709 |
| Accrued interest payable | 1,659 |
| Total liabilities | 462,613 |
| Net assets | $ 9,974,629 |

### Partners' Capital

| | |
|---|---|
| Cumulative contributed capital | $ 13,554,797 |
| Cumulative syndication costs | (115,085) |
| Cumulative investment performance: | |
| Net loss from investment operations | (2,796,177) |
| Net unrealized depreciation of investments | (668,906) |
| Total partners' capital | $ 9,974,629 |

The accompanying notes are an integral part of these financial statements.

# Badger Fund of Funds I, L.P.
(A Delaware Limited Partnership)

## Schedule of Investments

June 30, 2021

| | Cost | Fair Value | Fair Value as a Percentage of Partners' Capital |
|---|---|---|---|
| Collective Investment Vehicles, at fair value | | | |
| Collective Investment Vehicles: | | | |
| Winnebago Seed Fund I, L.P. | $ 3,177,478 | $ 3,468,985 | 34.8% |
| Idea Fund of La Crosse I, L.P. | 3,119,454 | 3,123,931 | 31.3% |
| Rock River Capital Partners Fund I, LP - Series A Units | 3,312,532 | 2,642,289 | 26.5% |
| Rock River Capital Partners Fund I, LP - Series B Units | 982,047 | 884,439 | 8.9% |
| Winnow Fund I, L.P. | 383,250 | 229,826 | 2.3% |
| Gateway Capital Fund I, L.P. | - | - | 0.0% |
| Total Collective Investment Vehicles, at fair value | $ 10,974,761 | $ 10,349,470 | 103.8% |

The accompanying notes are an integral part of these financial statements.

# Badger Fund of Funds I, L.P.
(A Delaware Limited Partnership)

## Statement of Operations

Year ended June 30, 2021

| | |
|---|---|
| Income: | |
| Total income | $ - |
| Expenses: | |
| Monitoring charge | 310,765 |
| Professional fees and other expenses | 123,111 |
| Total expenses | 433,876 |
| Net loss from investment operations | (433,876) |
| Unrealized depreciation of collective investment vehicles and payable for pending portfolio investments: | |
| Balance at beginning of year | (1,115,962) |
| Balance at end of year | (668,906) |
| Change in unrealized depreciation | 447,056 |
| Net increase in partners' capital resulting from operations | $ 13,180 |

The accompanying notes are an integral part of these financial statements.

Badger Fund of Funds I, L.P.
(A Delaware Limited Partnership)

# Statement of Changes in Partners' Capital

Year ended June 30, 2021

| | Limited Partners | General Partner | Total |
|---|---|---|---|
| Partners' capital at June 30, 2020 | $ 3,416,412 | $ 42,357 | $ 3,458,769 |
| Capital contributions | 6,413,085 | 89,595 | 6,502,680 |
| Net increase (decrease) in partners' capital resulting from operations | 15,649 | (2,469) | 13,180 |
| Partners' capital at June 30, 2021 | $ 9,845,146 | $ 129,483 | $ 9,974,629 |

The accompanying notes are an integral part of these financial statements.

# Badger Fund of Funds I, L.P.
# (A Delaware Limited Partnership)

## Statement of Cash Flows

## Year ended June 30, 2021

| | |
|---|---|
| Cash flows used in operating activities: | |
| Net increase in partners' capital resulting from operations | $ 13,180 |
| Adjustments to reconcile net increase in partners' capital from operations to net cash used in operating activities: | |
| Change in unrealized depreciation of Collective Investment Vehicles | (490,671) |
| Increase in payable for pending investment transactions | 43,615 |
| Increase in due from Limited Partners | (24,857) |
| Decrease in accrued expenses | (12,395) |
| Increase in due to Sun Mountain Capital, L.L.C. | 6,709 |
| Decrease in accrued interest payable | (3,444) |
| Contributions into Collective Investment Vehicles | (5,048,990) |
| Net cash used in operating activities | (5,516,853) |
| Cash flows provided by financing activities: | |
| Capital contributions | 6,502,680 |
| Line of credit drawdowns | 2,555,000 |
| Line of credit payments | (3,486,750) |
| Net cash provided by financing activities | 5,570,930 |
| Net increase in cash | 54,077 |
| Cash at beginning of the year | 8,838 |
| Cash at end of the year | $ 62,915 |

The accompanying notes are an integral part of these financial statements.

## 1. Nature of operations and summary of significant accounting policies:

Nature of Operations

Badger Fund of Funds I, L.P. (the "Partnership") is a Delaware limited partnership formed on April 27, 2015. The General Partner of the Partnership is Sun Mountain Kegonsa L.L.C. ("General Partner"). The primary purpose of the Partnership is to make investments in accordance with the Limited Partnership Agreement (the "Agreement") dated June 3, 2015, and Section 16.295 of the Wisconsin Statutes. Any capitalized terms used but not defined herein have the meanings assigned to them in the Agreement.

Each fiscal year of the Partnership will commence on July 1 and end on June 30, or in the case of the first and last fiscal years, a fraction thereof commencing on the Closing Date or ending on the date on which the Partnership is terminated. The Partnership will continue for ten years from the Closing Date or Subsequent Closing Date, unless extended or terminated earlier pursuant to the terms of the Agreement. The General Partner may extend the Partnership for up to two successive one-year periods if prior notice of such extension is given to the Limited Partners.

Basis of Presentation

The Partnership has determined it is an investment company in accordance with *Financial Accounting Standards Board (FASB) ASC Topic 946, Financial Services – Investment Companies*. For the year ended June 30, 2021, the Partnership made cash investments of $5.0 million in Collective Investment Vehicles. The details of all the Partnership's investments have been disclosed on the Schedule of Investments.

These financial statements represent the financial position, results of operations, statement of changes in partners' capital and cash flows of the Partnership. The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as detailed in the Financial Accounting Standards Board's Accounting Standards Codification (ASC).

Fair Value - Definition and Hierarchy

In accordance with ASC 820, Fair Value Measurement, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e., the "exit price") in an orderly transaction between market participants at the measurement date.

In determining fair value, a fair value hierarchy for inputs is used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs are to be used when available. Observable inputs are those that market participants would use in pricing the asset or liability based on market data obtained from sources independent of the Partnership. Unobservable inputs reflect the Partnership's assumptions about the inputs market participants would use in pricing the asset or liability, developed based on the best information available in the circumstances. The fair value hierarchy is categorized into three levels based on the inputs as follows:

> Level 1 - Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities that the Partnership has the ability to access. Valuation adjustments are not applied to Level 1 investments. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these investments does not entail a significant degree of judgment.

1. Nature of operations and summary of significant accounting policies, continued:

Level 2 - Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.

Level 3 - Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

Fair value is a market-based measure, based on assumptions of prices and inputs considered from the perspective of a market participant that are current as of the measurement date, rather than an entity-specific measure. Therefore, even when market assumptions are not readily available, the Partnership's own assumptions are set to reflect those that market participants would use in pricing the asset at the measurement date.

Level 3 investments may include partnership interests and other privately issued securities. When observable prices are not available, the General Partner uses one or more valuation techniques for which sufficient and reliable data is available. The selection of appropriate valuation techniques may be affected by the availability of relevant inputs as well as the relative reliability of the inputs. In some cases, one valuation technique may provide the best indication of fair value while in other circumstances, multiple valuation techniques may be appropriate. The results of the application of the various techniques may not be equally representative of fair value, due to factors such as assumptions made in the valuation. In some situations, the General Partner may determine it appropriate to evaluate and weigh the results, as appropriate, to develop a range of possible values, with the fair value based on the General Partner's assessment of the most representative point within the range.

The General Partner will determine the valuations of the Partnership’s Level 3 investments quarterly. Assumptions used by the General Partner due to the lack of observable inputs may significantly impact the resulting fair value measurements and therefore, the Partnership’s results of operations.

Collective Investment Vehicles (CIV)

Accounting Standards Update (ASU) 2015-07, issued in May 2015, amended ASC 820 by eliminating the requirement to categorize within the fair value hierarchy for which fair value is measured using the net asset value per share practical expedient (the “NAV practical expedient”). Investments in CIV are valued at their respective NAV practical expedient, utilizing the net asset valuations provided by the CIV, without adjustment, when the net asset valuations of the investments are calculated in a manner consistent with GAAP for investment companies. The Partnership applies the practical expedient to its investments in the CIV on an investment-by-investment basis, and consistently with the Partnership’s entire position in a particular investment, unless it is probable that the Partnership will sell a portion of an investment at an amount different from the net asset valuation. If it is probable that the Partnership will sell an investment at an amount different from the net asset valuation or in other situations where the practical expedient is not available, the Partnership considers other factors in addition to the net asset valuation, such as features of the investment, including subscription and redemption rights, expected discounted cash flows, transactions in the secondary market, bids received from potential buyers, and overall market conditions in its determination of fair value.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires the Partnership’s management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

## 1. Nature of operations and summary of significant accounting policies, continued:

Income and Expense Recognition

Interest income is recognized on the accrual basis as earned. Expenses are accrued as incurred.

Income Taxes

The Partnership does not record a provision for U.S. federal, state, or local income taxes because the Partners report their share of the Partnership's income or loss on their income tax returns. In accordance with GAAP, the Partnership is required to determine whether its tax positions are more likely than not to be sustained upon examination by the applicable taxing authority, based on the technical merits of the position. The tax benefit or liability recognized is measured as the largest amount of benefit or liability that has a greater than fifty percent likelihood of being realized upon ultimate settlement with the relevant taxing authority. Based on its analysis, the Partnership has determined that it has not incurred any unrecognized tax benefits or liabilities as of June 30, 2021. The Partnership does not expect that its assessment regarding unrecognized tax benefits or liabilities will materially change over the next twelve months. However, the Partnership's conclusions may be subject to review and adjustment at a later date based on factors including, but not limited to, questioning the timing and amount of deductions, the nexus of income among various tax jurisdictions, compliance with U.S. federal and state tax laws, and changes in the administrative practices and precedents of the relevant taxing authorities.

Realized Gains or Losses and Change in Net Unrealized Appreciation or Depreciation of Investments

Realized gains or losses on investments are measured by the difference between distributions and the cost basis of the investment using the specific identification method. Distributions received from CIV are recorded as a reduction of such CIV's cost basis. Then, once the cost basis of the Partnership's investment in the CIV has been reduced to zero, all future proceeds received from the CIV are recorded as a realized gain. As a result of the varying level of information disclosed to the Partnership by CIV regarding their distributions, the Partnership's cost basis as calculated for book purposes may differ from the Partnership's cost basis as calculated for tax purposes. Realized gain or loss on investments is included in partners' capital and is recorded without regard to unrealized appreciation or depreciation previously recognized.

Change in net unrealized appreciation or depreciation of investments primarily reflects the change in collective investment vehicles' values during the reporting period, including the reversal of previously recorded unrealized appreciation or depreciation when gains or losses are realized. Unrealized appreciation or depreciation of investments is included in partners' capital.

Organization and Syndication Costs

Organizational and syndication costs are expenses attributable to the organization of the Partnership and the marketing and offering of interests therein, including without limitation any related legal and accounting fees and expenses, travel expenses and filing fees. Organizational costs are charged to expense when incurred and syndication costs are deducted from partners' capital.

## 2. Fair value measurements:

The Partnership's assets recorded at fair value have been categorized as described in the Partnership's significant accounting policies in Note 1. All investments of the Partnership are Level 3 investments or are not included in the fair value hierarchy because they are valued using the NAV practical expedient. Both observable and unobservable

## 2. Fair value measurements, continued:

inputs may be used to determine the fair value of investments that the Partnership has classified within the Level 3 category. As a result, the unrealized gains and losses for the assets within the Level 3 category may include changes in fair value that were attributable to both observable and unobservable inputs. For the year ended June 30, 2021, the Partnership had four investments for which the NAV practical expedient was used.

As of June 30, 2021, the Collective Investment Vehicles have ownership rights in certain US-based companies that, individually, represent greater than a 5% proportionate share of partners' capital of the partnership, as shown below.

| Collective Investment Vehicle | Company Name & Description | Proportionate Share of Partners' Capital of the Partnership |
|---|---|---|
| Rock River Capital Partners Fund I, LP & Winnebago Seed Fund I, L.P. | Sift Medical Data, Inc. is a healthcare analytics platform that leverages data sources to reduce claims denials, increase patient collection rates and capture clinical insights for clients. | 12.6% |
| Rock River Capital Partners Fund I, LP & Winnebago Seed Fund I, L.P. | Airdeck, Inc. is an online platform that creates narrated presentations that can be shared on-demand. | 11.9% |
| Winnebago Seed Fund I, L.P. | Social Leads, Inc. is an artificial intelligence (AI) platform that helps financial services companies and their advisors to automatically know the size, depth and value of their professional and social networks. | 8.8% |
| Idea Fund of La Crosse I, L.P. | Agrograph, Inc. provides a platform that delivers accurate and timely information on crop yields, land sustainability, risk assessment and other agricultural information and field scale. | 6.6% |
| Idea Fund of La Crosse I, L.P. & Rock River Capital Partners Fund I, LP | Smartcare Software, Inc. provides a business automation software for home healthcare providers. | 6.0% |

The fair value of the Collective Investment Vehicles for which the Partnership utilized the NAV practical expedient was $10,349,470 at June 30, 2021, and the cumulative unfunded commitments were $17.6 million. The Partnership does not have any redemption rights in these investments, which have indeterminate remaining lives. For the year ended June 30, 2021, the Partnership had no realized gains or losses on investments.

On March 15, 2021, the Partnership entered into a Limited Partnership Agreement with Gateway Capital Fund I, L.P. (the "Fund"), committing specific capital balances to be called at the Fund's discretion. As of June 30, 2021, the Fund had not called capital from the Partnership, resulting in a cost basis of $0 as shown on the Schedule of Investments. Subsequent to the Fund's closing, expenses incurred by the Fund allocated to the Partnership as of June 30, 2021 totaled $43,615. Due to the Partnership's capital commitment, the expenses allocated to the Partnership were recorded as "Payable for pending investment transactions" and an unrealized depreciation of investments was recognized.

## 3. Concentration of credit risk:

In the normal course of business, the Partnership maintains its cash balances in a financial institution, which at times may exceed federally insured limits. The Partnership is subject to credit risk to the extent the financial institution with which it conducts business is unable to fulfill contracted obligations on its behalf. Management monitors the financial condition of this financial institution and does not anticipate any losses from this counterparty.

## 4. Committed capital:

The total committed capital to the Partnership as of June 30, 2021, was $32.8 million, of which 41.0% had been drawn as of June 30, 2021. The Commitment Period ended June 3, 2018, as defined in the Agreement. The General Partner may call commitments to enable the Partnership to make investments committed by it (including contingent commitments that ultimately become committed investments), to pay fees and expenses, or provide reserves. No limited partner is required to fund an amount in excess of its uncalled commitment.

## 5. Allocations and distribution of profits and losses:

Profits and losses will be allocated among the Partners in a manner such that, the Capital Account of each Partner, immediately after making such allocation, is as nearly as possible equal to the distributions that would be made if the Partnership were dissolved, its affairs wound up, its assets sold for cash equal to their Carrying Value, its liabilities were satisfied, and the net assets of the Partnership were distributed. Distributions are prioritized as follows: (1) 100% to the Limited Partners and General Partner until they have received distributions in an amount equal to their capital contributions to date, and (2) thereafter, 90% to the Limited Partners and 10% (the Carried Interest) to the General Partner, subject to a clawback provision.

## 6. Bank line of credit:

The Partnership has a $2,000,000 line of credit which is secured by all capital contributions, capital contribution proceeds, capital calls and all other proceeds and rights to payment from the Partners in the Partnership. Borrowings under this arrangement currently bear interest at a fixed rate of 3.75%. There is also an unused commitment facility fee of 0.1% paid on the difference between the line of credit and actual borrowings. For the year ended June 30, 2021, the average borrowings were $963,025, and the average interest rate was 4.3%. The maximum borrowing for the year ended June 30, 2021 was $1,500,000. The Partnership is in compliance with all covenants associated with the line of credit.

The line of credit, previously set to mature on April 1, 2021, was renewed on April 1, 2021. As a part of this renewal, the maturity date was extended to April 1, 2022 and the interest rate was reduced from 4.50% to 3.75%. All other terms remain unchanged.

## 7. Management fee / monitoring charge:

The General Partner entered into an agreement with Sun Mountain Capital, L.L.C. ("SMC") to provide management and administrative services on behalf of the General Partner in connection with the Partnership. SMC provides management services to the Partnership for a fee that is due at the beginning of each quarter. For each quarter during the first four years of the Partnership (beginning June 3, 2015), the Management Fee is based on the capital commitment of the Limited Partners of the Partnership multiplied by 0.25%. Beginning on the fourth anniversary of the Partnership's existence, a Monitoring Charge is paid to SMC quarterly in advance and is also initially based on the capital commitment of the Limited Partners of the Partnership multiplied by 0.25%. Upon the fourth anniversary of the Initial Investment Date, such Monitoring Charge is calculated based on the capital commitment of the Limited Partners of the Partnership multiplied by a percentage starting at 0.225%, adjusted annually, and descending to 0.125% on the tenth anniversary of the Initial Investment Date, at which point the fee will remain at 0.125% through the dissolution of the Partnership. The Management Fee and Monitoring Charge for the Partnership's initial and final fiscal quarters, respectively, if less than a calendar quarter, is prorated based on the days the Partnership existed during that quarter to the number of days in the quarter. The Monitoring Charge for the Partnership for the year ended June 30, 2021 was $310,765, as disclosed in the Statement of Operations.

## 8. Related-party transactions:

SMC will periodically fund Partnership expenses, as provided for in the Agreement, and the Partnership reimburses SMC for such amounts. For the year ended June 30, 2021, $6,419 was reimbursed to SMC. Within the Statement of Assets, Liabilities and Partners' Capital at June 30, 2021, there were payables to SMC of $9,709. Included in the Statement of Operations, and as provided for in an Administrative Services Agreement between the Partnership and SMC, are expenses of $12,000 paid to SMC for financial reporting services.

## 9. Indemnification:

The Agreement obligates the Partnership to indemnify the General Partner, the partners, managers, members and affiliates of the General Partner, the Tax Matters Partner and their agents for losses they incur in connection with the Partnership, its properties, business or affairs. This indemnity does not extend to any conduct which constitutes recklessness, willful misconduct or gross negligence as determined by a court of competent jurisdiction following the expiration of all appeals. The Partnership's maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Partnership that have not yet occurred. However, the Partnership expects the risk of having to make any payments under these general business indemnifications to be remote.

## 10. Risks associated with certain financial investments:

Management of the Partnership seeks investment opportunities that offer the possibility of attaining substantial capital appreciation. Certain events particular to each industry in which the Partnership invests, as well as general economic and political conditions, may have a significant negative impact on the investee's operations and profitability. In addition, the Partnership is subject to changing regulatory and tax environments. Such events are beyond the Partnership's control, and the likelihood that they may occur cannot be predicted. The Partnership's ability to liquidate its investments and realize value is subject to significant limitations and uncertainties.

## 11. Commitments and contingencies:

As of June 30, 2021, the Partnership had made a contingent commitment to one CIV for up to $1.1 million. The investment closing is subject to change and is contingent on the CIV's ability to raise specified capital requirements.

## 12. Financial highlights:

For the Partnership, the Internal Rate of Return since inception (IRR) for the Limited Partners, net of all fees and allocation of carried interest to the General Partner ($0 at June 30, 2021 and 2020) is (18.7%) and (34.8%) at June 30, 2021 and 2020, respectively. The IRR was computed based on the actual dates of capital contributions and distributions, and the ending partners' capital at the end of the year (residual value) as of each measurement date.

Financial highlights for the year ended June 30, 2021 are shown below. Such ratios reflect just the non-managing interests (the limited partners). Further, individual partner ratios may differ from the ratios presented below due to the timing of cashflows.

| | |
|---|---|
| Ratios to average partners' capital: | |
| Total expenses to average partners' capital | 4.7% |
| Allocation of hypothetical carried interest to General Partner | 0.0% |
| Total expenses and allocation of carried interest to the General Partner | 4.7% |
| | |
| Net investment loss to average partners' capital | (4.7%) |

The net loss from investment operations and expense ratios are calculated based on expenses and income taken as a whole and do not reflect the effects of any hypothetical carried interest allocation. Additionally, the net loss from investment operations and expense ratios do not reflect the Partnership's proportionate share of income and expenses of the underlying CIVs.

13. Subsequent events:

On July 23, 2021, the Partnership made an additional $1.1 million capital commitment to Gateway Capital Fund I, L.P. (the “Fund”). Considering this additional capital commitment, the Partnership’s total capital commitment to the Fund is $5.0 million.

Subsequent events were evaluated by the Partnership through October 25, 2021, which is the date the Partnership’s financial statements were available to be issued.