SKK VENTURES QP, LLC

**A Delaware Limited Liability Company**

SKK VENTURES QP MANAGER, LLC

**Manager**

SHEPHERD KAPLAN KROCHUK, LLC

**Investment Manager**

Confidential Private Placement Memorandum

**A Private Offering of Class A Limited Liability Company Interests of Separate Series (the “Interests”)**

**April 25, 2019**

**This is not an offer to sell or a solicitation of an offer to buy the interests described in this Memorandum in any jurisdiction to any person to whom it is unlawful to make such an offer, sale or solicitation.**

Directory

Manager

SKK Ventures QP Manager, LLC

c/o Shepherd Kaplan Krochuk, LLC

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Boston, Massachusetts 02110

Investment Manager

Shepherd Kaplan Krochuk, LLC

125 Summer Street, Floor 22

Boston, Massachusetts 02110

Independent Auditors

PKF O’Connor Davies LLP

665 Fifth Avenue

New York, New York 10022

Legal Counsel

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One Post Office Square

Boston, Massachusetts 02109

AN INVESTMENT IN THE INTERESTS INVOLVES A HIGH DEGREE OF RISK.

SEE “CERTAIN RISK FACTORS” BELOW BEGINNING ON PAGE 17.

Risk factors include lack of diversification, lack of liquidity, and conflicts of interest, among others. Each prospective investor should be prepared to bear the risk of his, her or its investment for an indefinite period, and the investor should be able to withstand a total loss of his, her or its investment.

\* \* \*

NEITHER THE U.S. SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES REGULATOR HAS APPROVED OR DISAPPROVED THESE SECURITIES, OR DETERMINED IF THIS MEMORANDUM IS TRUTHFUL OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

NOTICES TO INVESTORS

ALL INVESTMENTS IN SECURITIES ENTAIL RISKS OF LOSS. AN INVESTMENT ALLOCATION TO INTERESTS INVOLVES CONSIDERABLE RISK AND IS HIGHLY SPECULATIVE. SEE “RISK FACTORS.”

\* \* \*

INTERESTS ARE SUITABLE ONLY FOR SOPHISTICATED INVESTORS FOR WHOM AN INVESTMENT IN the Fund DOES NOT CONSTITUTE A COMPLETE INVESTMENT PROGRAM, WHO DO NOT REQUIRE IMMEDIATE LIQUIDITY FOR THEIR INVESTMENT AND WHO FULLY UNDERSTAND AND ARE WILLING TO ASSUME THE RISKS INVOLVED IN an investment in INTERESTS. The Fund’s INVESTMENT PRACTICES, BY THEIR NATURE, MAY BE CONSIDERED TO INVOLVE A SUBSTANTIAL DEGREE OF RISK.

\* \* \*

THE INTERESTS HAVE NOT BEEN REGISTERED WITH THE U.S. SECURITIES AND EXCHANGE COMMISSION IN RELIANCE UPON ONE OR MORE EXEMPTIONS FROM REGISTRATION. IN ADDITION, THE INTERESTS HAVE NOT BEEN REGISTERED WITH ANY STATE SECURITIES REGULATOR IN RELIANCE UPON CERTAIN EXEMPTIONS FROM REGISTRATION SET FORTH IN APPLICABLE STATE SECURITIES LAWS. THE OFFERING IS BEING MADE ONLY TO PERSONS WHO ARE “QUALIFIED PURCHASERS,” AS DEFINED IN THE INVESTMENT COMPANY ACT OF 1940, and “Accredited investors,” as defined in Regulation D under the Securities Act of 1933, each as amended. IF A PROSPECTIVE INVESTOR DOES NOT QUALIFY AS A QUALIFIED PURCHASER and Accredited Investor, THE INVESTOR MAY NOT PURCHASE ANY INTERESTS IN THE OFFERING.

\* \* \*

THE INTERESTS MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS PURSUANT TO REGISTRATION OR AN EXEMPTION FROM REGISTRATION AND ARE ALSO SUBJECT TO SUBSTANTIAL CONTRACTUAL RESTRICTIONS AND LIMITATIONS ON TRANSFER AND RESALE. INVESTORS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE FINANCIAL RISK OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

\* \* \*

THE RECEIPT OR ACCEPTANCE OF THIS MEMORANDUM by any person CONSTITUTES such person’S AGREEMENT TO HOLD THE CONTENTS OF THIS MEMORANDUM AND ITS EXISTENCE AND ALL EXHIBITS AND RELATED DOCUMENTS IN THE STRICTEST CONFIDENCE. such person further AGREES THAT HE, SHE OR IT WILL NOT COPY, REPRODUCE OR DISTRIBUTE THIS MEMORANDUM, EXHIBITS OR RELATED DOCUMENTS, IN WHOLE OR IN PART, OR UTILIZE THE CONTENTS FOR ANY PURPOSE OTHER THAN TO EVALUATE AN INVESTMENT IN THE INTERESTS. IN ADDITION, such person AGREES TO RETURN THIS MEMORANDUM AND ANY COPIES A PROSPECTIVE INVESTOR HAS MADE, UPON REQUEST, IF HE, SHE OR IT DOES NOT SUBSCRIBE for any interests offered through this memorandum.

\* \* \*

NO BROKER, DEALER, INVESTMENT ADVISER, SALESMAN OR ANY OTHER PERSON HAS BEEN AUTHORIZED TO MAKE ANY REPRESENTATIONS CONCERNING INTERESTS OR THE Fund OTHER THAN THOSE CONTAINED IN THIS MEMORANDUM AND RELATED AGREEMENTS, AND ANY REPRESENTATIONS NOT CONTAINED IN THIS MEMORANDUM AND RELATED AGREEMENTS, IF GIVEN OR MADE, SHOULD NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE MANAGER OR the Fund.

\* \* \*

INVESTORS MAY NOT CONSTRUE THE CONTENTS OF THIS MEMORANDUM OR ANY PRIOR OR SUBSEQUENT COMMUNICATION FROM THE FUND, THE MANAGER, THEIR AFFILIATES, AND EACH OF THEIR OFFICERS, EMPLOYEES, AGENTS, CONSULTANTS, AND PROFESSIONALS ASSOCIATED WITH THIS OFFERING AS LEGAL, TAX OR INVESTMENT ADVICE. EACH INVESTOR SHOULD CONSULT his, her or ITS PERSONAL LEGAL COUNSEL, ACCOUNTANT, AND OTHER ADVISORS AS TO THE LEGAL, TAX, ECONOMIC AND OTHER CONSEQUENCES OF THE INVESTMENT DESCRIBED HEREIN AS TO ITS SUITABILITY FOR THE INVESTOR.

\* \* \*

THE DATE OF THIS MEMORANDUM IS STATED on the cover page. THE DELIVERY OF THIS MEMORANDUM AT ANY TIME AFTER THIS DATE DOES NOT IMPLY THAT THE INFORMATION CONTAINED IN THIS MEMORANDUM IS CORRECT AT THE TIME OF DELIVERY. THE STATEMENTS IN THIS MEMORANDUM ARE MADE AS OF THE DATE OF THIS MEMORANDUM, UNLESS ANOTHER DATE IS SPECIFIED.

\* \* \*

THE MANAGER RESERVES THE RIGHT TO TERMINATE, AT ANY TIME, THIS OFFERING AND SOLICITATION AND/OR THE FURTHER PARTICIPATION BY ANY PROSPECTIVE INVESTOR AT ANY TIME DURING THE SOLICITATION, INVESTIGATION, INVESTMENT OR SUBSCRIPTION PROCESS. THE MANAGER HAS THE RIGHT, IN ITS SOLE DISCRETION, TO make or not make an offer to any person to, or ACCEPT OR NOT ACCEPT, IN WHOLE OR IN PART, ANY SUBSCRIPTION SUBMITTED BY, ANY PROSPECTIVE INVESTOR AT ANY TIME FOR ANY REASON. NO SUBSCRIPTION WILL BE EFFECTIVE UNLESS AND UNTIL THE MANAGER HAS ACCEPTED IT IN WRITING.

\* \* \*

THE MANAGER WILL GIVE EACH PROSPECTIVE INVESTOR AND HIS, HER OR ITS INVESTMENT REPRESENTATIVE OR ADVISER AN OPPORTUNITY TO: (1) ASK QUESTIONS OF THE MANAGER CONCERNING THE TERMS AND CONDITIONS OF THIS OFFERING; (2) EXAMINE ADDITIONAL DOCUMENTS, INCLUDING ALL OF THE MATERIAL BOOKS AND RECORDS OF the Fund AND ALL MATERIAL CONTRACTS AND DOCUMENTS RELATING TO THIS OFFERING (other than information specific to other investors and/or their subscriptions or commitments to the fund); AND (3) EXAMINE ANY ADDITIONAL INFORMATION NECESSARY TO VERIFY THE ACCURACY OF THE INFORMATION SET FORTH IN THIS MEMORANDUM, BUT ONLY TO THE EXTENT INTERESTS OR THE MANAGER POSSESS THE INFORMATION, CAN ACQUIRE IT WITHOUT UNREASONABLE EFFORT OR EXPENSE, AND CAN DISCLOSE IT WITHOUT VIOLATING ANY CONFIDENTIALITY OBLIGATIONS.

\* \* \*

THIS MEMORANDUM CONTAINS SUMMARIES BELIEVED BY THE MANAGER TO BE ACCURATE AS OF THE DATE HEREOF WITH RESPECT TO CERTAIN TERMS OF CERTAIN DOCUMENTS, BUT PROSPECTIVE INVESTORS SHOULD REFER TO THE ACTUAL DOCUMENTS FOR COMPLETE INFORMATION CONCERNING THE RIGHTS AND OBLIGATIONS OF THE PARTIES THERETO, AND ALL SUCH SUMMARIES ARE QUALIFIED IN THEIR ENTIRETY BY THIS REFERENCE. THIS MEMORANDUM INCLUDES A COMPLETE COPY OF THE LIMITED LIABILITY COMPANY AGREEMENT OF THE FUND (THE “AGREEMENT”), ATTACHED HERETO AS EXHIBIT A. EACH PROSPECTIVE INVESTOR SHOULD READ AND UNDERSTAND THE AGREEMENT. THIS MEMORANDUM INCLUDES A COMPLETE COPY OF THE form of SUBSCRIPTION BOOKLET APPLICABLE TO A SUBSCRIPTION FOR INTERESTS, ATTACHED HERETO AS EXHIBIT B.

\* \* \*

this memorandum may be accompanied from time to time by one or more private placement memorandum supplements (each, a “Supplement”). each supplement will describe a specific series of interests in the fund. Each supplement will incorporate this memorandum by reference and should be read in conjunction with this memorandum in its entirety.

\* \* \*

certain INFORMATION CONTAINED HEREIN HAS BEEN OBTAINED FROM SOURCES GENERALLY DEEMED TO BE RELIABLE; HOWEVER, PORTIONS OF SUCH INFORMATION MAY BE UNIQUELY WITHIN THE KNOWLEDGE OF PARTIES WHICH ARE UNAFFILIATED WITH the manager OR ITS AFFILIATES AND THEREFORE MAY NOT BE AMENABLE TO INDEPENDENT INVESTIGATION OR CONFIRMATION IN SUCH CASES. THE MANAGER HAS NOT INDEPENDENTLY INVESTIGATED OR CONFIRMED THE ACCURACY OR ADEQUACY OF ALL INFORMATION.

\* \* \*

THIS MEMORANDUM CONTAINS STATEMENTS ABOUT FUTURE EVENTS AND EXPECTATIONS THAT ARE CHARACTERIZED AS “FORWARD-LOOKING STATEMENTS.” FORWARD-LOOKING STATEMENTS ARE BASED ON THE BELIEFS, ASSUMPTIONS AND EXPECTATIONS OF FUTURE ECONOMIC PERFORMANCE AND INTENDED BUSINESS INVESTMENT ACTIVITIES OF the FUND, TAKING INTO ACCOUNT THE INFORMATION CURRENTLY AVAILABLE TO THE FUND AND THE MANAGER. THESE STATEMENTS ARE NOT STATEMENTS OF HISTORICAL FACT. FORWARD-LOOKING STATEMENTS INVOLVE RISKS AND UNCERTAINTIES THAT MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR FINANCIAL CONDITION TO BE MATERIALLY DIFFERENT FROM THE EXPECTATIONS OF FUTURE RESULTS, PERFORMANCE OR FINANCIAL CONDITION THAT ARE EXPRESSED OR IMPLIED IN SUCH FORWARD-LOOKING STATEMENTS. FACTORS THAT COULD CONTRIBUTE TO THESE DIFFERENCES INCLUDE THOSE factors DISCUSSED IN “RISK FACTORS” AND ELSEWHERE IN THIS MEMORANDUM. THE MANAGER AND the Fund EXPRESSLY LIMIT AND QUALIFY ANY FORWARD-LOOKING STATEMENTS ENTIRELY BY THESE CAUTIONARY FACTORS. THE WORDS “BELIEVE,” “MAY,” “WILL,” “SHOULD,” “ANTICIPATE,” “ESTIMATE,” “EXPECT,” “INTENDS,” “OBJECTIVE” OR SIMILAR WORDS, OR THE NEGATIVES OF THESE WORDS, ARE INTENDED TO IDENTIFY FORWARD-LOOKING STATEMENTS. A PROSPECTIVE INVESTOR IS CAUTIONED NOT TO PUT UNDUE RELIANCE OR EXPECTATION ON FORWARD-LOOKING STATEMENTS. THE MANAGER AND THE FUND DISCLAIM ANY INTENT OR OBLIGATION TO UPDATE ANY FORWARD-LOOKING STATEMENTS, WHETHER AS A RESULT OF NEW INFORMATION, FUTURE EVENTS OR OTHERWISE, WHETHER OCCURRING BEFORE OR AFTER THE DATE OF THIS MEMORANDUM.

\* \* \*

ALL PROSPECTIVE INVESTORS are cautioned to evaluate the financial and economic risks associated with the ownership of Interests in the context of current economic conditions in the UNITED States and worldwide, as well as turmoil, CHANGING CONDITIONS and uncertainty in the financial markets.

\* \* \*

Prospective investors should anticipate that any investment in INTERESTS will be illiquid and may not be READILY sold or otherwise converted into cash.

\* \* \*

THE FUND IS NOT, and is not REGISTERED AS, an INVESTMENT COMPANy UNDER THE Investment company act of 1940, as amended (the “1940 act”), and thus, investors in INTERESTS will not have the benefit of the protections afforded by the 1940 act.

\* \* \*

sHEPHERD kAPLAN kROCHUK, llc, a Delaware limited LIABILITY company (THE “INVESTMENT MANAGER”), SERVES AS the INVESTMENT advisEr to THE FUND. The Investment Manager is registered WITH THE SECURITIES AND EXCHANGE COMMISSION as an investment adviser under the ADVISERS ACT. the investment manager and the MANAGER are under common control, BUT MAY NOT HAVE IDENTICAL OWNERSHIP.

CERTAIN STATE DISCLOSURES

THE SECURITIES OFFERED HEREUNDER HAVE NOT BEEN APPROVED OR DISAPPROVED BY ANY STATE SECURITIES COMMISSION, NOR HAVE THE SECURITIES OFFERED HEREUNDER BEEN REGISTERED PURSUANT TO THE SECURITIES LAWS OF ANY STATE. THE SECURITIES ARE BEING OFFERED PRIVATELY PURSUANT TO THE EXEMPTION PROVIDED BY RULE 506 PROMULGATED UNDER THE SECURITIES ACT. THE INTERESTS BEING OFFERED HEREBY ARE CONSIDERED “COVERED SECURITIES” AND AS SUCH NO STATE IS PERMITTED TO IMPOSE ADDITIONAL NOTICE OR FILING REQUIREMENTS, OTHER THAN THE FILING OF SEC FORM D WITH certain STATEs AND THE PAYMENT OF ANY APPLICABLE FEE IN CONNECTION THEREWITH.

\* \* \*

FOR NORTH CAROLINA RESIDENTS ONLY: IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORItiES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE. THESE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT, AND THE APPLICABLE STATE SECURITIES LAWS. PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM, INVESTORS SHOULD BE AWARE THAT THEY WILL BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

\* \* \*

FOR NEW HAMPSHIRE RESIDENTS ONLY: NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENSE HAS BEEN FILED UNDER THE NEW HAMPSHIRE UNIFORM SECURITIES ACT (RSA 421-B)(THE “NH ACT”) WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE THAT ANY DOCUMENT FILED UNDER THE NH ACT IS TRUE, COMPLETE, AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF OR RECOMMENDED OR GIVEN APPROVAL TO ANY PERSON, SECURITY, OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER, OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

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# Summary of the Offering

The following information is only a summary of certain of the information in this Confidential Private Placement Memorandum (this “Memorandum”) and is qualified in its entirety by the Fund’s Limited Liability Company Agreement (the “Agreement”), a copy of which is attached hereto as Exhibit A. Capitalized terms not otherwise defined herein have the meanings assigned to them in Appendix I to the Agreement.

## The Fund

SKK Ventures QP, LLC (the “Fund”) is a limited liability company formed in 2019 and organized under the Delaware LLC Act.

## Fund’s Investment Objectives & Strategy

The primary objective of the Fund is to pursue capital appreciation by investing in Financial Instruments issued by operating companies engaged in certain sector groups determined from time to time by the Manager in its sole discretion. The Fund is authorized to issue series of Interests that will be allocated all profits and losses of the Fund relating to a specific Portfolio Interest or combination of Portfolio Interests. Important information specific to a series of Interests, including the Portfolio Interests relating to such series, are included in Private Placement Memorandum Supplements (each, a “Supplement”) accompanying this Memorandum. Each Supplement will incorporate this Memorandum and should be read in conjunction with this Memorandum in its entirety.

The general objectives of the Fund are to buy, sell, hold and otherwise invest in Financial Instruments, and to exercise all rights, powers, privileges and other incidents of ownership or possession with respect to Financial Instruments held or owned by the Fund and received in exchange or with respect thereto.

In pursuing its primary and general objectives, the Fund may enter into, make and perform all contracts and other undertakings and engage in all activities and transactions, as the Manager may consider necessary or advisable to carry out the foregoing purposes, including:

* Acquire long positions or short positions in Financial Instruments, and make purchases or sales increasing, decreasing, covering and liquidating such positions;
* Borrow or raise monies and obtain letters of credit without limitation as to amount, and secure the payment of any obligation of the Fund by mortgage on, or hypothecation or pledge of, all or any part of the property of the Fund; and
* Enter into credit, deposit and custodian agreements with banks, securities brokerage firms, futures commission merchants and other financial institutions (whether or not affiliated with the Fund or the Manager), open, maintain and close bank, brokerage and other accounts and draw checks or other orders for the payment of money or the delivery of instruments.

The Fund may engage in these activities directly or indirectly by investing in an investment entity, such as a so-called master fund, that may but is not required to be an Affiliate of the Manager.

All property owned by the Fund shall be owned by the Fund as an entity, and no Member, individually, shall have any direct ownership interest in such property.

## Maximum Offering Amount and Minimum Investment

The Fund does not have a set maximum offering amount. Rather, each individual series of Interests in the Fund may have a maximum offering amount based on specific transactions negotiated by the Fund with a particular Portfolio Entity. In general, the minimum investment amount in each series in the Fund by an individual investor is $250,000. A different minimum investment amount may be specified for a particular series of Interests, and the minimum may be reduced or waived at any time and for any reason in the sole discretion of the Manager.

## Use of Proceeds

The Fund is expected to spend substantially all subscription proceeds (net of the Management Fee) to purchase Financial Instruments.

## Fees and Expenses

### *Management Fee.*

The Fund will pay a management fee to the Manager, which may be paid in cash or kind as determined by the Manager. The Management Fee shall be an upfront assessment equal to 8 percent of each Capital Contribution made by an investor in the Fund, other than by the Manager or any affiliate of the Manager. The Management Fee with respect to a Member shall be deemed earned in full by the Manager on the date the Member’s Capital Contribution is made, and is non-refundable irrespective of, among other things, the duration of the Member’s association with the Fund. The Management Fee is nonrecurring with respect to each Capital Contribution made by a Member. The Manager may, in its sole discretion, waive some or all of the Management Fee with respect to any Member’s investment in any series. The Manager may also receive allocations and distributions from the Fund in the Manager’s capacity as a Class B Member of the Fund, as described further on page 14.

*Organizational and Initial Offering Fund Expenses.*

### The Manager shall bear all organizational costs, fees, and expenses incurred by or on behalf of the Manager or its Affiliates in connection with the formation and organization of the Fund and the Manager (including the definitive agreements related thereto), including legal and accounting fees and all expenses incident thereto.

*Fund Expenses, Generally.*

The Fund generally shall bear all costs and expenses incurred by the Fund in the purchase, holding, monitoring, redemption, sale, exchange or other disposition of Financial Instruments (whether or not ultimately consummated) or otherwise in its operations, including private placement fees, finder’s fees, travel (and related expenses), interest on and fees and expenses arising out of borrowed money, property taxes on investments, including documentary, recording, stamp and transfer taxes, costs and expenses incurred for research, due diligence and other similar professional services (including third party professional or other consulting fees and expenses), brokerage fees or commissions, underwriting commissions and discounts, custodian or trustee fees, administrator or similar record keeping fees, or other similar charges (including any merger fees payable to third parties), legal, audit, accounting, investment banking, appraisal and consulting fees, costs and expenses relating to investments or proposed investments, taxes applicable to the 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 Fund’s securities under applicable securities laws or regulations.

The Fund shall also bear expenses incurred by the Manager in its capacity as the “partnership representative,” the cost of liability and other premiums for insurance protecting the Fund, the Manager, any investment manager, and their respective partners, members, shareholders, managers, managing directors, officers, directors, trustees, employees, agents or affiliates in connection with the activities of the Fund, all out-of-pocket expenses associated with Fund communications with Members, including preparation and distribution of annual or other reports to the Members, costs associated with Fund meetings, all legal, regulatory, compliance audit, accounting, tax, consulting and professional services fees and expenses (including tax preparation) relating to the Fund and its activities.

*Fund Fee Waivers and Expense Reimbursements; Recoupment.*

The Manager intends to advance sufficient funds to cover the expenses of the Fund up to the amount of the Management Fee to the extent that it is commercially reasonable to do so. The Manager has agreed to waive its right to reimbursement for Fund expenses paid by it (directly or through an affiliate other than the Fund) up to the amount of the total aggregate Management Fee paid to the Manager by the Fund. The Fund expense reimbursement waived by the Manager will be allocated to each series Interest held each Member based on the portion of the Management Fee allocated to such Interest (taking into account any waivers of Management Fee amounts). For the avoidance of doubt, the Manager will continue to have a right to reimbursement for any Fund expenses paid by the Manager (directly or through an affiliate other than the Fund) allocable to any Member’s Interest in any series in excess of the aggregate amount of Management Fee allocated to such Interest.

*Liquidation Expenses, Generally.*

### The Fund shall bear all liquidation costs, fees and expenses incurred by the Manager (or its designee) in connection with the liquidation of the Fund or any series of the Fund, and Manager at the end of the Fund’s and Manager’s respective terms, including legal and accounting fees and expenses and the cost of insurance against contingent or unknown liabilities.

### Expenses Associated with Liquidating Trusts.

The Fund shall bear all organizational fees and expenses incurred by or on behalf of the Manager or any of its Affiliates in connection with the formation, organization, operation and liquidation of any Liquidating Trust and any special purpose investment vehicles provided for in the Agreement.

### Manager and Affiliate Expenses.

The Manager and/or its affiliates shall bear all normal operating expenses incurred in connection with its management of the Fund, the Manager and its affiliates, except for those expenses borne by the Fund as expressly set forth in the Agreement.

## Payments to Brokers-Dealers, Placement Agents and Others

The Manager may deduct a percentage of the amount invested by a Class A Member in the Fund to pay sales fees or charges, on a fully disclosed basis, to a broker-dealer, placement agent or other person based upon the Capital Contribution of such Class A Member introduced to the Fund by such broker-dealer, placement agent, or other person. Any such sales fees or charges would be assessed against the referred Class A Member, (ii) not be a Capital Contribution of the Class A Member, and (iii) reduce the amount actually invested by such Class A Member in the Fund.

# Management Organization and Structure

## Manager & Investment Manager

SKK Ventures QP Manager, LLC (the “Manager”) serves as the Manager of the Fund, and Shepherd Kaplan Krochuk, LLC (the “Investment Manager”) serves as the investment manager to the Fund. Each of the Manager and the Investment Manager is organized under the Delaware LLC Act. The Investment Manager, but not the Manager, is registered with the SEC as an investment adviser under the Advisers Act. The Manager is responsible for the overall management of the Fund’s affairs. The Investment Manager has discretionary investment authority over the Fund’s assets, and provides all investment advisory services to the Fund.

**David Shepherd, Managing Member & Co-Chief Executive Officer** – Mr. Shepherd is a Managing Member, Co-Chief Executive Officer, and co-owner of the Investment Manager, with primary responsibility for the Institutional Advisory Practice. As Co-Chief Executive Officer, Mr. Shepherd oversees the firm’s investment research and fiduciary consulting resources. Mr. Shepherd co-chairs the firm’s Investment Committee and works closely with the Research Committee. Mr. Shepherd has decades of experience in investment research, product development and consulting to the pension, endowment and foundation and family office marketplace. He advises the Investment Committees of numerous corporations on investment policy design, monitoring regimens and fiduciary compliance. Mr. Shepherd is also a frequent public speaker, discussing risk and investment management and fiduciary governance. Mr. Shepherd’s focus since co-founding Shepherd Kaplan, LLC in 1998 has been on innovation. Specifically, on providing greater transparency and control to institutions and high-net-worth families in the investment consulting and wealth management space. He holds a degree in Economics and Finance from Boston University.

**David Kaplan, Managing Member & Co-Chief Executive Officer** – Mr. Kaplan is a Managing Member, Co-Chief Executive Officer, and co-owner of the Investment Manager. As Co-Chief Executive Officer, Mr. Kaplan is actively involved in the development of the firm’s intellectual property, consulting tools and technological capabilities. He also co-chairs the firm’s Investment Committee. Mr. Kaplan has decades of experience in investment management, product development, marketing and education in the financial services industry. He provides consultation to private investors, trusts and foundations with deep expertise in the investment portfolio design and risk management areas. Prior to co-founding Shepherd Kaplan, LLC, he held positions at Putnam Investments and The Equitable/AXA, and was also co-founder of a financial services marketing and consulting firm. Mr. Kaplan serves on the Board of Overseers for the Boys and Girls Club of Boston, and the Endowment Committee for Temple Beth Elohim. Mr. Kaplan holds a degree from the University of Massachusetts, Amherst.

**Timothy A. Krochuk, Managing Member & Co-Chief Executive Officer** – Mr. Krochuk is a Managing Member, Co-Chief Executive Officer, and co-owner of the Investment Manager. As Co-Chief Executive Officer, he is actively involved in the development of the firm’s intellectual property, consulting tools and technological capabilities. Mr. Krochuk is a portfolio manager for the private equity investment funds, including real estate investment funds. and has been involved in investment management and research since 1992. Prior to co-founding GRT Capital Partners, L.L.C in 2001, he commenced his career at Fidelity Investments, where he used advanced quantitative techniques to study a variety of industries. He was responsible for the development, programming and implementation of investment models used in managing over $20 billion in public mutual funds. He is an experienced programmer and systems administrator. Mr. Krochuk holds the Chartered Financial Analyst designation. He also holds an AB in economics from Harvard College (1992). While at Harvard, Mr. Krochuk was also the President of TAK Programming Group Inc., a systems integration firm. He is a managing or governing board member of various companies in the U.S. and elsewhere. He is a Director and Chairman of the Audit Committee of Precision Therapeutics, Inc., a publicly traded company. He is also a member of the Young Presidents’ Organization (YPO) and holds the Master Professional Director Certification.

# Key Investor Information

## Series; Class A Interests; Investor Suitability

The Fund is authorized to issue series of Interests to which shall be allocated all profits and losses of the Fund relating to a Portfolio Interest or portfolio of Portfolio Interests. The Manager shall have the power to issue the authorized Interests on the terms and conditions determined by the Manager without an amendment of the Agreement.

Each series of Interests shall comprise two classes, which shall be designated as “Class A Interests” of the specific series and “Class B Interests” of the specific series. This Memorandum relates to Class A Interests. Only the Manager, an affiliate of the Manager, or a person authorized by the Manager will hold Class B Interests.

Class A Members of any series will be limited to persons who are (i) “Accredited Investors” as defined under the Securities Act and “Qualified Purchasers” as defined under the 1940 Act or (ii) Knowledgeable Employees or companies owned exclusively by Knowledgeable Employees or persons who acquire securities in accordance with Rule 3c-6 under the 1940 Act which were originally acquired by one or more Knowledgeable Employees.

## Class A Member Commitments

No Class A Member in any series is required to commit to investing in, or invest in, any other series by virtue of its Membership.

If a Class A Member of a specific series fails to make the entire Capital Contributions specified in the Subscription Agreement relating to such series and Counterpart Signature Page, no Interest of such series shall be issued to such prospective Class A Member, and such prospective Class A Member shall indemnify and hold the Fund and the other Members harmless from any loss, cost, or expense, including reasonable attorney fees caused by the failure to make the initial Capital Contribution. No Class A Interest will be issued to any Class A Member unless and until a Subscription Agreement has been executed by such Class A Member and accepted by the Manager. No transfer or other contribution of capital to the Fund will, in and of itself, be sufficient to grant a Class A Interest in the Fund.

## Valuation of Fund Assets

Due to the illiquid nature of the securities the Fund is expected to hold, the Fund is expected to engage a valuation consultant and establish a valuation annually for each material security that it holds.

## Investment Period and Duration

The Fund currently does not have any investment period. The Fund shall terminate, and the affairs of the Fund shall be wound up generally upon the election by the Manager in the event that all Fund assets have been distributed to the Members. The Manager may, in its sole and absolute discretion, establish a specific investment period for any series of Interests and may extend or terminate such series at any time in its sole discretion.

## Parallel Funds

The Manager or its affiliates may from time to time form and serve as the Manager (or in a similar management role) of one or more investment vehicles organized to accommodate the tax, regulatory or other special needs of investors (the “Parallel Funds”). The operating agreement of any Parallel Fund may contain terms that differ materially from the terms of the Agreement. Upon each purchase of Financial Instruments (other than short-term obligations such as money market instruments) by the Fund, the Manager intends to use commercially reasonable efforts to cause each Parallel Fund to invest and divest contemporaneously with the Fund in each of its investments, on the same terms and conditions as the Fund (subject to adjustment by the Manager in its reasonable discretion).

## Allocations of Net Profits and Losses

The Net Profits and Net Losses of the Fund will be allocated to one or more series of the Fund. Series Allocated Net Profits will be allocated as follows:

* First: 100% to Class A Members of that series, pro rata in proportion to their respective portions of their Class A Interests in such series, until they have received an amount equal to the cumulative Series Allocated Net Losses previously allocated to such series minus the cumulative Series Allocated Net Profits previously allocated to such series.
* Second: 80% to Class A Members of such series, pro rata in proportion to their respective portions of their Class A Interests in such series, and 20% to the Manager.

Series Allocated Net Losses will be allocated as follows:

* First: 20% to the Manager to the extent of any prior Series Allocated Net Profits previously allocated to it with respect to such series, and 80% to the Class A Interests, pro rata in proportion to their respective portions of their Class A Interests in such series.
* Second: 100% to Class A Members of that series, pro rata in proportion to their respective portions of their Class A Interests in such series.

## Distributions

### Determinations and Timing of Distributions, other than Liquidating Distributions.

### If, prior to the dissolution of the Fund, the Manager determines that the Fund has Distributable Cash and/or Distributable Financial Instruments, the Manager shall further determine the amount of such Distributable Cash and the portion of such Distributable Financial Instruments that are attributable to each series, and then cause the Fund to distribute such Distributable Cash and/or Distributable Financial Instruments to each Member of such series as soon as practicable in the manner described below.

### Apportionment of Distributions, other than Liquidating Distributions.

### Generally, each distribution to a series other than liquidating distributions will be apportioned among the Members of such series in proportion to the aggregate Capital Account balances of such Members that are attributable to the series.

### Tax Distributions**.**

The Fund generally may make tax distributions to any Member or Members (including the Manager) in the discretion of the Manager. Tax distributions (if any) are treated as an advance and shall be applied against amounts otherwise distributable to the Members. Any such distributions are subject to certain limits based on maximum tax rates and amounts reasonably available for distribution.

*Liquidating Distributions.*

The assets of the Fund or series generally shall be distributed in final liquidation of the Fund or series in the following order:

### To the creditors of the Fund, or in the case of a liquidation of a series, to the creditors of the Fund with respect to such series, other than Members, in the order of priority established by law, either by payment or by establishment of reserves;

### To the Members, or in the case of a liquidation of a series, to the Members of such series, in repayment of any loans made to, or other debts owed by, the Fund to such Members; and

### The balance, if any, to the Members and the Manager in accordance with the provisions relating to non-liquidating distributions.

In connection with the final liquidating distribution of the Fund, or at any earlier time determined by the Manager in its sole and absolute discretion, the Manager, in its capacity as the Class B Member, is required to contribute an amount to the Fund to generally restore distributed profit allocations that would have been reduced by subsequent losses, subject to certain conditions and limitations. Such amounts will be promptly distributed by the Fund to the Class A Members of the relevant series after being contributed by the Manager.

## Indemnification

The Agreement provides that the Fund will indemnify and hold harmless the Manager and its affiliates from and against any and all claims, actions, demands, losses, costs, expenses (including attorneys’ fees and other expenses of litigation), damages, penalties or interest, as a result of any claim or legal proceeding relating to any action or inaction by any of them in connection with the business and affairs of the Fund (including any judgment, settlement, reasonable attorneys’ fees and other costs or expenses incurred in connection with the defense of any actual or threatened action or proceeding); provided, that the party against whom the claim is made or legal proceeding is directed has not been found liable of gross negligence to the material detriment of the fund or found guilty of criminal fraud, in either case as determined by a final non-appealable court of competent jurisdiction. Any indemnity under the Agreement shall be paid from and to the extent of Fund assets only, and only to the extent that such indemnity does not violate applicable federal and state laws. The Fund shall, in the discretion of the Manager, advance amounts and/or pay expenses as incurred in connection with the indemnification obligation herein, including to the Manager and/or its Affiliates.

## Withdrawals/Redemptions

Withdrawals by the Members.

No Member may withdraw any amount from its Capital Account unless such withdrawal is made pursuant to the provisions of distributions or liquidation, or with the prior written consent of the Manager. The Manager may permit a Member to withdraw some of all of the amount of its Capital Account balance at any time and/or under any conditions, or it may deny any request of a Member to withdraw, for any reason in its sole discretion.

Required Withdrawal.

The Manager may (a) terminate the Interest of any Member with respect to any series or all series of the Fund at the end of any calendar month, upon at least 10 days’ prior written notice and (b) terminate the Interest of any Member with respect to any series or all series of the Fund at any time upon at least 5 days’ prior written notice, if, among other reasons, the Manager determines that the continued participation of such Member in the Fund might cause the Fund, the Manager, or any Member to violate any law, to cause the Fund to be an “investment company” for purposes of the 1940 Act, or if any litigation is commenced or threatened against the Fund or any Member arising out of, or relating to, the participation of such Member in the Fund.

## Reporting

The Manager shall cause to be prepared and distributed to each Member following each Fiscal Year an annual financial statement prepared in accordance with GAAP and audited by an independent certified public accounting firm.

## Tax Matters

The Manager shall transmit to each Member, within a commercially reasonable period after the close of each Fiscal Year, such Member’s Schedule K-1 (Internal Revenue Service Form 1065) or an equivalent report indicating such Member’s share of all items of income or gain, expense, loss or other deduction and tax credit of the Fund for such year, as well as the status of the Member’s Capital Account as of the end of such year. It anticipated that such reports for a given tax year will generally not be available until after April 15th of the following year, which in some cases may require investors to file an extension on their federal and state tax returns to report interests in the Fund.

## “Side Letters”

The Manager may from time to time enter into a written agreement with one or more Members that provide such Member(s) with additional and/or different rights (including with respect to the Management Fee, allocations of Net Profits and Net Losses, access to information, minimum investment amounts, liquidity terms, and other rights) than such Member(s) have pursuant to this Memorandum and the Agreement. The Manager will not be required to notify any or all of the other Members of any such written agreements or any of the rights and/or terms or provisions thereof, nor will the Manager be required to offer such additional and/or different rights and/or terms to any or all of the other Members. The Manager has discretion to waive the Management Fee, allocations of Net Profits and Net Losses, minimum investment amounts, liquidity terms, and other rights of the fund with respect to any investor, and is expected to waive certain fund fees and requirements with respect to investments made by employees, affiliates, and advisory clients of the Investment Manager, among others.

## Confidentiality

The Manager and Investment Manager intend to provide certain periodic information and updates to prospective and current Members of the Fund, including information that may be provided to the Manager or the Investment Manager on a confidential basis by a Portfolio Entity or a prospective Portfolio Entity, or that is otherwise of a sensitive nature. The Agreement requires, among other things, that each Member agrees that such Member will keep information related to the Fund, its Members, and its Portfolio Entities confidential in accordance with the terms of the Agreement.

# Certain Risk Factors

An investment in the Fund involves a substantial degree of risk and should be regarded as speculative. As a result, the purchase of Class A Interests of any series should be considered only by persons who can reasonably afford a loss of their entire investment. Each investor will be required to acknowledge that it made an independent decision to invest in the Fund and that it is not relying on the Fund, the Manager, the Investment Manager, or any other person or entity (other than such investor’s own advisers) with respect to the legal, tax, financial, risk or other considerations involved in an investment in the Fund. Prospective investors should carefully consider, in addition to the matters set forth elsewhere herein, the following factors relating to the activities of the Fund.

## Suitability Considerations

An investment in the Fund should not exceed a limited portion of the risk segment of an investor’s portfolio. No investor should invest an amount in the Fund that such investor cannot afford to lose. Investors in the Fund must be able to endure the long-term nature of their investment and withstand the loss of their entire investment.

## Limited Transferability of Fund Interests

Investment in the Fund should generally be considered an illiquid investment. The equity interests in the Fund have not been registered under the Securities Act, and such registration is not contemplated. No public market for these equity interests exists, and the transfer or sale of such equity interests is further subject to certain restrictions contained in the Agreement. Consequently, the Investors will generally not be able to liquidate their investment in the Fund other than as determined by the Manager, and otherwise as permitted under the Agreement.

## Fund Structure and Lack of Diversification

In general, the Agreement and structure of the Fund will provide that profits and losses based on certain assets and activities will be allocated to individual series of Interests, while general profits and losses of the Fund will be shared among all series. The Manager intends to engage auditors and prepare taxes for the Fund as a whole, not for individual series of Interests, which is intended to reduce expenses paid by each series. Since the Fund is not structured as a “series limited liability company” within the meaning of Delaware law, with statutory distinction between series, investments in the Fund are exposed to governance risk, liabilities, and other risks of the Fund as a whole, including those arising from other series of Interests.

An investment in Class A Interests of any one series generally represents an investment in only one Portfolio Interest or a small number of Portfolio Interests. By not being invested in any additional series, the Class A Member may be substantially adversely affected by being invested in only one of the Fund’s Portfolio Interests when that one interest underperforms. At the same time, that one interest is subject to claims of the Fund’s general creditors.

## Nature of Investments

Private equity investments by the Fund may involve positions in businesses that carry a significant amount of debt. Debt carries incremental risks and also may limit access to additional financing. Debt service requirements of Portfolio Entities may deplete the cash flow and inhibit the ability of such companies to expand. Should interest rates increase, such higher interest rates may have an adverse effect on such companies. There can be no assurance regarding the returns to investors in the Fund.

## Lack of Additional Funds

Following its initial investment in a Portfolio Entity, the Fund anticipates that the Portfolio Entity will require additional funds. There is no assurance that the Fund will make, or have sufficient resources to make, such follow-on investments, or that the Portfolio Entity will be able to secure such additional funding from other sources. Any decision by the Fund not to make follow-on investments or the inability to make such investments may have a substantial adverse impact on a Portfolio Entity in need of such additional funding or may result in missed opportunities for the Fund to increase its participation in successful operations. Either of these may adversely affect the value of assets held by the Fund. In addition, the Fund’s Portfolio Interests risk dilution from Portfolio Entity financings in which the Fund is unable or unwilling to participate.

## Short Operating History of portfolio Entities

The Fund intends to invest in seed and early-stage companies that involve a high degree of risk and that may have substantial variation in operating results from period to period. These seed and early-stage companies will have little or no operating history and will most likely need substantial additional investments of capital to support expansion and achieve their business objectives. These companies can experience failures or substantial declines in value at any stage and some of these companies may face intense market competition. There can be no assurance that any of the Fund’s investments will be successful and there is no assurance that additional capital, if needed, will be available to these companies. The Fund may sustain losses with respect to some or all of its investments.

## Lack of Liquidity in Fund Investments

It is unlikely that there will be a public market for investments held by the Fund. The Fund will generally not be able to sell its investments publicly unless their sale is registered under applicable federal and state securities laws or unless an exemption from such registration requirements is available. Additionally, the Fund may be prohibited by regulations and contractual obligations from selling investments for an extended period of time.

## Financial Market Fluctuations

Fluctuations in the market prices of private equity assets may affect the value of the investments held by the Fund. Instability in the securities markets may also increase the risks inherent in the Fund’s investments. The ability of the Fund to liquidate its investments may depend on the ability of Portfolio Entities to sell securities.

## Long-Term Investment

Factors such as overall economic conditions, the competitive environment, the limited availability of appropriate potential investments and access to public markets or potential acquirers may cause the Fund to be unable to realize substantial income or capital gains for an extended period of time. The Fund will continue to be exposed to expenses and liabilities even during periods in which its assets are illiquid and not generating any capital appreciation or income.

## Insufficient Cash for Tax Distribution

Distributions of cash from the Fund may be insufficient for an Investor to pay his or her income tax liability with respect to the Fund’s taxable net income.

## General Economic Conditions

General economic conditions may affect the activities of the Fund. Interest rates, the prices of securities, and participation by other investors in the financial markets may also affect the value of securities purchased by the Fund or considered for purchase.

## No Registration under the 1940 Act

The Fund is not, and will not be registered as, an investment company under 1940 Act. Consequently, none of the investor protections of the 1940 Act will apply.

## No Separate Counsel

Sullivan & Worcester LLP (“Sullivan & Worcester”) has served as legal and tax adviser to the Fund, the Manager and the Investment Manager in connection with this Offering. No independent legal, tax, financial or investment counsel has been retained to represent the investors in the Fund. As such, the terms of the Fund have not been independently negotiated or reviewed. The terms of the Fund may have been different if they were independently negotiated or reviewed. A prospective investor should engage his, her or its own legal counsel before investing in the Fund.

## Conflict of Interests

With respect to any investment by a series of the Fund in a Portfolio Interest, there will be inherent conflicts of interests between the Class A Members and the Class B Members of the same series, between the series and any Parallel Fund investing in the same Portfolio Interest, as well as between the series and any other series of the Fund which invests in Financial Instruments issued by the same Portfolio Entity that issued the Portfolio Interests. The Investment Manager attempts to manage these conflicts to the extent practical although it does not make any guarantee that it will be able to do so.

The Manager and Investment Manager may give advice or take actions with respect to other client accounts, including Parallel Funds and other private funds, that differs from advice given with respect to the Fund. The opportunity to co-invest may be made available to certain clients of the Investment Manager, to strategic investors, or to others, at the discretion of the Manager and Investment Manager. The opportunity to co-invest may not be granted to any investor, even if such investor requests such an opportunity and is financially qualified to make such an investment.

In some cases, the Fund may make multiple investments in the same Portfolio Entity. For example, the Fund may make investments in different classes or series of equity or debt of a Portfolio Entity, at the same time or at different times. In such circumstances, the Fund may from time to time have the opportunity to exercise rights and privileges in a way that may affect different Fund series differently or may affect investors in the Fund differently from other clients, principals or employees of the Investment Manager, including a Parallel Fund or other private fund. Also, certain securities held by a series of the Fund may be subordinate to other series of the Fund or other clients, principals or employees of the Investment Manager for purposes of key Portfolio Entity decisions, bankruptcy proceedings, and other corporate actions. In such cases, the Manager and Investment Manager may face conflicting duties or conflicts of interest in exercising such rights and privileges. The Manager and Investment Manager intends to attempt to mitigate such conflicts in a way that is reasonable and fair under the specific circumstances.

### Relationships with Portfolio Entities

In some cases, the Fund may have a right to appoint directors to the board of directors of a Portfolio Entity, or other comparable positions. In such cases, the Manager will have discretion to exercise such appointment, and may delegate such discretion to the Investment Manager. In his or her capacity as a director, the person appointed by the Manager or Investment Manager would generally be obligated to act in the best interests of the Portfolio Entity and its shareholders, which could potentially conflict with the interests of the Fund and its Members. In some cases, individuals appointed to the board of a Portfolio Entity may receive compensation from the Portfolio Entity for their services to such entity, which compensation may include cash, securities, a combination of cash and securities, or other forms of compensation. Such compensation would generally be retained by the individual so long as the Manager and Investment Manager deem the compensation to be reasonable at the time it is given in light of the services such individual is providing to the Portfolio Entity, and the compensation does not unduly create or exacerbate any conflict between the duties of such individual, the Manager or the Investment Manager to the Fund and the Portfolio Entity.

In addition, through such positions with Portfolio Entities the Manager and Investment Manager may come into possession of information about the Portfolio Entity or its services that differs from information to which Fund Members will have access by virtue of the directorship or otherwise. The Manager and Investment Manager do not undertake to provide such information to Fund Members, now or in the future. The Manager and Investment Manager may also have different degrees of contact with the Portfolio Entities than you may in the future.

### Conflicts with other Business Interests

The Manager, Investment Manager, and their employees, officers, members, managers, clients and other affiliates are active in the sectors and industries in which the Fund is expected to invest, both in connection with the Fund and in other ventures. This activity is expected to be beneficial to the Fund by providing a pipeline of investment opportunities, relevant industry experience and synergistic opportunities for Portfolio Entities, the Fund and Members. In some cases, these activities may cause interests of such individuals and entities to conflict with the interests of the Fund and its Members. The Manager and Investment Manager will take steps that they reasonably believe will mitigate any material conflicts that may arise.

### Incentive Allocation

The Inventive Allocation to the Manager may create incentives for the Manager to manage the Fund in a way that could lead to outcomes less favorable than if the Manager would not receive any Incentive Allocation. For example the Manager may have an incentive to make investments that are riskier or more speculative than would otherwise be the case, since the Manager would participate in the gains, but not generally in the losses, caused any such investment. In addition, because the Incentive Allocation is determined with respect to an individual series of the Fund, an investor that holds interests in more than one series of the Fund may be subject to an Incentive Allocation in one series despite suffering losses from another series, or an overall net loss.

### Minority Investments or Lead Investments

With respect to investments in which the Fund would be a minority investor, the Fund may need to rely on the lead investors to negotiate favorable terms for the Fund and the other investors in the syndicate. In other cases, the Fund may be the lead investor in a financing series. In those cases, the Fund, the Manager, and the Investment Manager will be responsible for negotiating terms of an investment on its own behalf, and also on behalf of other investors or potential investors. The Manager or the Investment Manager may have a conflict of interest in negotiating the investment, or relying on the negotiation conducted by the lead investor, due to other investments, business relationships, director and officer appointments, and other relationships with the Portfolio Entity, the lead investor, or other investors in the syndicate. The Manager or the Investment Manager may also have a conflict of interest where it has made formal or informal estimates or commitments to a Portfolio Entity or lead investor regarding the amount of capital that is likely to be committed to a series by the Fund or others.

# Inquiries

You are invited to, and it is highly recommended that you do, meet with the Manager for further explanation of the terms and conditions of this offering of Class A Interests and to obtain any additional information necessary to verify the information contained in this Memorandum, to the extent the Manager possesses such information or can acquire it without unreasonable effort or expense. Requests for such information should be directed to:

SKK VENTURES QP, LLC

c/o Shepherd Kaplan Krochuk, LLC

125 Summer Street, Floor 22

Boston, Massachusetts 02110

Attention:  Investor Relations

Telephone: +1 (617) 896-1600

Email: investorrelations@skk-llc.com

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# Exhibit A: Limited Liability Company Agreement

# Exhibit B: Form of Subscription Booklet