



VCET

# Vermont Seed Capital Fund, LP

Investing in Entrepreneurs since May 2010

Annual Report to Limited Partners and State of Vermont Stakeholders  
**Fiscal 2016**

VCET Capital Corporation  
General Partner and Fund Manager  
December 31, 2016

## **Fund Overview**

The Vermont Seed Capital Fund, LP launched for investing in May 2010. The for-profit Fund is managed by the VCET Capital Corporation as General Partner which is a wholly owned subsidiary of the non-profit Vermont Center for Emerging Technologies (VCET). VCET was selected as manager following a competitive bid process conducted by the Vermont Economic Development Authority (VEDA). The for-profit Fund is capitalized with \$5.1M, is professionally managed and designed as a revolving or “evergreen” venture capital investor to support a select number of seed and early stage companies.

Fund performance objectives include:

- Financial return commensurate with high risk investing in order to revolve the fund, after write-offs and expenses.
- Next generation job and payroll creation across Vermont.
- Capital leverage achieved for each \$1 invested by the Fund.
- Innovation ecosystem benefits (college technologies, internships, supply chain, cluster benefits, recruitment, natural resource utilization, green technologies, etc).

The Fund initially invests between \$25,000 and \$250,000 per transaction via a variety of debt and equity instruments. The Fund's manager, which is an entity, not an individual, makes investment recommendations for review and actions by the Fund's three person Investment Committee.

Because of a strategic relationship with VCET, portfolio firms and capital seekers also have access to substantive programs, coworking facilities, partners, mentors and value-adding services. VCET was named the #11 incubation program in the world by the UBI Index in 2013. The VCET website is [www.vcet.co](http://www.vcet.co) and it may be followed on twitter @VCET.

## **Fund Activity and Impact So Far**

The Vermont Seed Capital Fund, LP (“Fund”) was created to provide early stage, high risk companies with risk capital to start, create wealth and grow next generation employment opportunities. Prior to the Fund's capitalization in May 2010, Vermont was one of a handful of U.S. states without an early stage, state sponsored venture fund.

As of June 30, 2016, the Fund has invested in 21 companies for a total of \$3,901,913. This is comprised of \$2,729,544 in initial investments into 21 firms and \$1,172,369 in follow-on investments into 11 companies. The average initial investment per company is \$137,752 which has trended lower over time as the available funds to deploy have lessened and the average new initial commitment has decreased. Total investment per company now ranges from \$30,000 to \$554,306, with an average of \$185,805 invested per company.

The syndicate of co-investors, whether accredited angels, institutional venture capital firms or strategic corporate investors increased significantly in FY16. This is very positive for portfolio firms,

the Fund and in exposing new investors to the Vermont innovation ecosystem and start-ups. So far, the Fund has co-invested with others such as Boston Seed Capital, Launch Capital, Atlas Ventures, .406 Ventures, VEDA, Fairhaven Capital, Silicon Valley Bank, Fresh Tracks Capital, Russell Investments, TransAmerica Ventures, FinTech Collective and Google Ventures, among others. It is important to note that other accredited individuals, family offices or institutional investors or lenders are responsible for their own due diligence and investment decisions. Our syndicate of investors is deepening across all sectors which is a great benefit for our ecosystem.

The Fund is required to report on total capital at the time of initial investment per company as a measure of capital leverage. The total capital investment secured by the **21** portfolio companies at the time of the Fund's initial investments totals **\$20,275,128**. The Fund's leverage at time of initial investment was **7.4x**. During Fund formation, capital leverage at time of initial investment was expected to be 2x on average. This significant variance is largely evidence of companies and teams who are better prepared for capital raising, are benefitting from healthy private capital markets, and to a large degree, the positive network effect from within the portfolio and the Fund Manager's success at syndication. High risk capital is the protein source for emerging companies on their way to identifying a repeatable and sustainable business model.

The cumulative capital reported by portfolio companies now totals \$108,319,761 for a capital leverage ratio of 27.8x the Fund's invested capital of \$3,901,903. For reference, the total cumulative capital raised was \$66 million last year and the leverage ratio was 19.5x. This is a significant achievement by the portfolio and in meeting a major Fund objective in increasing risk capital for startup companies from and within Vermont. For comparison in FY13, the cumulative capital raised totaled just \$11,524,128 which was a 4.0x leverage multiple. This trend is expected to continue as companies benefit from VCET partnership and resources, an improving Vermont innovation ecosystem, and as the network of mentors and executives has deepened.

Nationally on average, about 80% of all capital in this stage of a company's life is used for personnel (full, part-time & consultant). Most of the Fund's investment proceeds are used for employees, marketing & sales, product development and general working capital purposes.

As a standard practice, for each \$1 invested by the Fund, an additional amount is held in reserve for follow-on growth financing, if it makes sense (and cents) to support further any one firm's situation. Not all firms who receive initial capital support, however, will receive follow-on funding. Since investing began in May 2010, the Fund has invested capital into 21 firms during its first capital revolve cycle. At inception, the Fund had targeted +/- 16 initial investments for diversification and in meeting fund performance objectives. Additionally, the Fund has assisted, without making a direct Fund investment, no fewer than 15 other diverse companies secure and raise capital from sources such as federal grants, high risk lenders, venture capital firms and large accredited angels and private family offices. These impacts are excluded in the metrics reported.

In general, investments are not anticipated to return capital until years 5-8 post initial investment although there may be exceptions and circumstances requiring a longer time horizon. Per company investment losses are likely to occur during the first 1- 4 years post initial investment. As noted last year, there are a few portfolio firms where current year performance is a *make or break* year to either

achieve a sustainable business model, sell or attract additional risk capital. Two made it through a challenging 2016 and now seem poised to increase sales, employment and profitability.

The communities in which these first 21 startup employers have been supported are: White River Junction, Woodstock, Richmond, Burlington, Shoreham, Winooski, St. Johnsbury, S. Ryegate, Montpelier, Colchester, Middlebury, Barre, Stowe, Charlotte, Berlin, and Waitsfield. Additional remote workers and offices are located around Vermont, around the US and across the globe. There still remains a lack of visibility and pipeline in Rutland, Windham and Bennington Counties and the Fund has yet to close an investment in these regions. Through VCET, there has been a focus on helping local communities stand up centers of innovation density such as coworking spaces, college/university entrepreneurship programs, business plan/pitch competitions and programming relevant to emerging businesses. Places such as Bennington's Lightning Jar, Castleton University's entrepreneurship programs, and most recently Coworking Plus in Brattleboro will contribute to assisting the Fund, and other state and private financing groups, identify, serve and support entrepreneurs and emerging companies in these regions to a greater degree.

The Fund's team has screened and reviewed an estimated 330 firms and entrepreneurs since inception. Capital seekers have come from across Vermont, the U.S., Quebec, alumni networks, portfolio company referrals, coworking members @VCET spaces, North Country Angels, other venture capital firms and elsewhere globally. At any given time, the Fund is tracking 2-3 firms for investment consideration. The investment process from initial screening to closing can range from 8 weeks to 2 years, depending on the readiness of the business proposition, team, co-investors required for a sufficient round of finance and signals of market traction/demand for its products or services. The process averages about 3-5 months from start to closing. The Investment Committee meets regularly to review portfolio firm situations and new financings.

**New Initial Investments:** During FY16, the Fund closed **3 initial** company transactions into [Horse Collaborative](#) (d.b.a. **Horse Network**) in Burlington/Bristol, VT, [Foto Visura](#) (dba **Visura**) in Stowe, VT and, [Green Power Monitoring Systems](#) (GPMS) in Shoreham, VT.

**Follow on Investments:** During FY16, there were **8 follow-on** financings conducted into 3 firms: **Next Capital** (Series B), **Faraday** (Series A1), and **Pwnie Express** (Notes and Series B). An additional two follow-on investment requests from within the existing portfolio were declined.

**Realized Losses:** Unfortunately during FY16, the Fund experienced its 6th realized investment failure in Green Mountain Digital (Yonder). This was a disappointment for all involved and a near total loss of the Fund's cumulative \$300,000 investment over the last 5 ½ years. The Fund's initial investment in this Woodstock, VT headquartered company occurred in September 2010. There were three other follow on investments with that last occurring in May 2015. The company's Board choose to dissolve after 69 months post the Fund's initial investment. The company had raised over \$7.2 million in total capital, earned over \$4.3 million in cumulative revenues and created total cumulative payroll of over \$3.8 million during this period. This was a tough pill to swallow and offset some very positive developments in Fund performance in FY16.

Details on these realized losses and their economic impacts such as payroll, revenues, total capital

are included later in this report. Four of these six now realized investment losses had been previously written down in whole or part as an unrealized loss, during the Fund's semi-annual portfolio review and valuation process.

### **Subsequent Events (July 2016 - Dec 2016)**

Subsequent to the Fund's June 30, 2016 fiscal year end thru December 31, 2016, the following items warrant disclosure and sharing at this time:

- **Budnitz Bicycles** - The Fund contributed \$20,000 as part of a larger Convertible Note financing to support the launch of the Model E electric bike and general working capital.
- **Invested Capital:** As of December 2016, the Fund's total invested capital across **21** companies grew to **\$3.9 million**.

### **Fund Manager's Outlook into 2017**

Since investing began in May 2010, the Fund's principal milestones and activities so far have been to organize quickly and properly, complete the initial \$5.1M capitalization, make 21 initial investments into diverse companies so far, make follow-on investments into 11 companies totaling \$1.172 million, provide oversight and support to 21 portfolio firms, limit realized losses to 6 companies to date, achieve a positive exit from a portfolio company sale, conduct annual Fund audits and reporting, prospect for high opportunity investments in support of Vermont's next generation of employers, and manage towards fulfilling the Fund's four principal objectives around **financial return, employment, capital leverage** and **ecosystem benefits**.

Given finite capital resources, statutory fund requirements and an increasingly active entrepreneurial sector in Vermont, the Fund must say "no thanks" or "not yet" much more frequently than "yes" to capital seekers, even worthy business propositions. Fortunately, the Fund's team is able to assist entrepreneurs and firms even if an investment is not made via a relationship with the non-profit Vermont Center for Emerging Technologies (VCET) and its network of mentors, partner organizations, angel investors, venture capital firms and higher education institutions.

Consistent with prior years, an independent Audit was performed and contained no deficiency findings or any corrective actions - this is another solid result in CPA parlance. Among other areas, the audit covered topics such as accounting, governance, conflict of interest policy, portfolio valuation, cash management and other internal processes and practices. Fund operating expenses were 3.08% which consists of a 2% annual management fee and certain direct professional services fees such as legal, insurance and audit. FY16 contained a bit more legal expenses than in prior years related to various transactions both contemplated and/or consummated.

As we look ahead this year, the Fund could possibly make another 1-2 small initial investments from available capital. Additionally, there will be more follow-on investment decisions to be made among the active portfolio for which the majority of remaining investment proceeds are being reserved. As determined by the Investment Committee and the company's performance, some portfolio companies

may warrant additional funding, while others may not.

Currently, there are 3, potentially 4, of the portfolio firms, experiencing significant revenue scaling and product acceptance. Two of these firms remain held at par for estimated market valuation purposes and will be subject to upside revision based upon results expected during the first half of 2017. As to any expectation for liquidity from some of the current investments, that outlook remains unclear as to timing. We continue to seek to maximize the benefits to Vermont and meet the Fund's four operating objectives. However, the Fund is designed to revolve its capital for future investment making. As a result, the pace of new initial investment making will lessen in 2017. A greater focus on achieving some liquidity from existing positions held will grow more important, absent new capital contribution inflows. However, companies coming to the Fund can still be assisted as in the past in finding appropriate capital investment from third parties within the Fund's investor network.

In accordance with policies and accounting standards, the Fund determines estimated market value adjustments at mid-year and year-end, or on an as realized, interim basis. These adjustments can include unrealized gains or losses and any realized gains or losses among its investments.

VCET Capital Corporation (the Fund Manager and General Partner) would also like to acknowledge and thank the Seed Fund Advisory Board (SFAB) members for their efforts and assistance. The volunteer members are Jo Bradley, Hinda Miller, John Evans and Bob Britt. SFAB was established under the enabling statutes, receives confidential information on investments, receives the Fund's audit and are invited to the semi-annual portfolio review meetings with the Investment Committee. Investment Committee members also attend the SFAB meetings.

Fund Investment decisions are made by a three member committee consisting of VCET Capital Corporation's David Bradbury and two independent Investment Committee members with deep early stage investing and fund operation experiences. James Robinson and Ken Merritt serve as volunteer investment committee members providing independent domain expertise and guidance. The General Partner wishes to thank these professionals for their considerable volunteer time, expert skills, and thoughtful deliberation on these high risk, early stage investments. Since inception, the Investment Committee and the General Partner follow a Conflict of Interest policy.

As cautioned each year, early stage investing can be described as a "team contact sport" in that this stage is high risk, always dynamic, subject to inevitable losses, requires significant post investment support, and yet offers the greatest potential for high wage job growth, risk capital inflows and new wealth generation for employees, founders and Vermont as a whole.

We remain fully engaged, proactive in outreach and active in investing into appropriate high risk opportunities, supporting entrepreneurs statewide and fulfilling the Fund's four principal performance objectives. Thank you for your continued support.

Sincerely,

David Bradbury, President  
VCET Capital Corporation

**STARTUP:** “A temporary organization formed to search for  
a *repeatable* and *scalable* business model”

-Steve Blank

Some of the Portfolio's sectors include:

**Renewable Energy Storage**

**Advanced Manufacturing Equipment**

**Cyber Security / Internet of Things**

**Consumer Products**

**Financial Services Technologies**

**Big Data Marketing**

**Aviation Electronics**

**Urban Transportation**

**Consumer Media & Commerce Platforms**

**and more...**

## Vermont Seed Capital Fund. LP

### Impact Measures @ June 30, 2016

The Vermont Seed Capital Fund, LP is a \$5.1M for-profit, professionally managed, permanently revolving, early stage investment fund. Investors are the Vermont Center for Emerging Technologies (\$1M) and the Vermont Economic Development Authority (\$4.1M) as limited partners. The Fund Manager is the VCET Capital Corporation, a subsidiary of the non-profit Vermont Center for Emerging Technologies (VCET). Four principal operating and investment objectives guide our investments over a 10-year Fund horizon: Financial Return, Capital Leverage, Jobs Impacted, and Innovation Ecosystem Benefits.

<p><b>Financial Return (IRR)<sup>1</sup></b></p> <p>Target IRR &gt; 20%</p> <p>Cumulative IRR -3.42%</p> <p>Absent an early year investment exits, positive IRR returns not anticipated until after year 5 and typical of the “J Curve” timing effect when investments start to return capital and gains to offset losses and expenses.</p>	<p><b>Jobs Impacted</b></p> <p>Target &gt; 150 (Permanent FTE)</p> <p>Actual 193</p> <p>Cumulative<sup>2</sup> 685</p> <p>Early stage firms can be expected to experience employment volatility associated with capital, revenues earned, and cash flows over time. Both FY16 and FY15 were impacted by acute labor shortages and positions were filled in out of state offices. Firms are now working directly with local colleges and universities to remedy.</p>
<p><b>Capital Leverage</b></p> <p>Total VSCF Investment (21) \$3,901,903</p> <p>Total Capital Investment \$108,319,761</p> <p>Leverage 27.8x</p>	<p><b>Innovation Ecosystem Benefits</b></p> <p>Investors with over \$2 billion in investable early stage funds visited VCET and the Fund this past year. 5 downtowns, multiple higher education licensees, multiple internships and hiring. A world class network of mentors, board members, domain experts, strategic partners and institutional venture investors are scaling significantly.</p>
<p><b>Total Revenue</b></p> <p>Actual (LTM<sup>3</sup>) \$10,439,568</p> <p>Cumulative \$46,631,361</p>	<p><b>Total Payroll</b></p> <p>Actual (LTM<sup>3</sup>) \$13,946,538</p> <p>Cumulative \$43,729,821</p> <p>Local job growth was impacted by a labor shortage in key technology positions. Firms are now working directly with local colleges and universities to teach, test and recruit the skilled employees to grow VT offices more predictably..</p>
<p><b>Vermont Coverage</b></p> <p>White River Junction, Richmond, Woodstock, Shoreham, Bristol, Middlebury, Winooski, Burlington, Montpelier, Colchester, S. Ryegate, St. Johnsbury, Barre, Waitsfield, Stowe, Charlotte</p>	<p><b>Investment Roadmap (first revolve)</b></p> <p>Target # Firms 16</p> <p>Actual # Firms 21</p> <p>The Fund has invested into 21 firms!</p>

<sup>1</sup> IRR : Internal rate of return is the standard Fund financial performance measure of cash outflows and cash inflows adjusted for timing. Funds investing are typically negative in early years (1-5) and then anticipate positive returns in years 5-10 upon realized gains from remaining portfolio investments. This effect is also referred to as the J Curve in the venture fund industry.

<sup>2</sup> Job-years: This seeks to represent the cumulative Job years in portfolio companies as reported by firms annually.

<sup>3</sup> LTM: Last twelve months.



# PORTFOLIO COMPANIES @ JUNE 30, 2016



## Sound Innovations

Location	White River Junction, VT
Fund Investment	\$150,000
Date of Investment	5.18.10
Date of Exit	2.28.14
Capital Returned:	\$450,000

**Description** Sound Innovations (SI) offers an Active Noise Reduction (ANR) technology platform for headsets, ear plugs and communication systems serving military, industrial, commercial and consumer markets.

**Use of Funds** Working Capital, Payroll, R&D, and S&M

**Status** [ACQUIRED February 2014](#). Returned 3x capital invested.



## SemiProbe

Location	Winooski, VT
Fund Investment	\$250,000 ; \$114,585 ;
Date of Investment	\$43,478 12.20.10 ; 10.4.13 ; 11.5.14

**Description** SemiProbe designs and manufactures the most innovative probing, inspection and test semiconductor solutions available today. Customers include the top foundries, research centers and corporations in the world. [www.semiprobe.com](http://www.semiprobe.com)

**Use of Funds** Working capital, payroll, IT development, equipment and sales

**Status** **Active**





## Aprexis

Location	Montpelier, Denver
Fund Investment	\$200,000
Date of Investment	1.25.11

<b>Description</b>	Aprexis Health Solutions empowers pharmacists with tools to increase medication adherence among patients. The easy to use, web-based software revolutionizes delivery of personalized medication therapy management (MTM) and patient-centric clinical services while increasing revenues for pharmacies. <a href="http://www.aprexis.com">www.aprexis.com</a>
<b>Use of Funds</b>	Working capital, payroll, SaaS platform, customer services, and business development.
<b>Status</b>	<b>Active</b>

## ElectroCell

Location	Colchester, VT
Fund Investment	\$99,544
Date of Investment	12.30.11

<b>Description</b>	ElectroCell provides liquid waste treatment services to livestock farms, municipal wastewater treatment plants and industrial customers. Its bioelectric treatment uses precisely managed electrical pulses to open organic cells with breakthrough efficiency.
<b>Use of Funds</b>	Working capital, personnel, pilot projects, equipment, and sales
<b>Status</b>	<b>Active</b>



## Pwnie Express

Location	Burlington and Boston
Fund Investment:	\$554,306 (11 transactions)
Date of Investments:	Oct 2012 - May 2016

**Description** Pwnie Express is the premier global provider of innovative, cost effective, rapid deployment penetration testing and threat detection/visibility products. Their products have been incorporated into the cyber-security toolboxes of over one thousand security service providers, Fortune 500 companies and various federal agencies. Pwnie closed a \$5.1 Series A investment in August 2013 and a \$12.9 million Series B in May 2016.

**Use of Funds** Working capital, personnel, product development and business development

**Status** Active



## Northern Reliability

Location	Waitsfield, VT
Fund Investment	\$150,000 ; \$75,000
Date of Investment	4.1.13 ; 3.27.15

**Description** As remote and back-up power experts, Northern Reliability offers premium stand-alone power systems and microgrids providing solutions for customers needing a reliable energy source for their business or community, no matter the location or environment. [www.NorthernReliability.com](http://www.NorthernReliability.com)

**Use of Funds** Working capital, personnel, product development and business development

**Status** Active





## GroupZoom (Bridj)

Location	Boston / Burlington
Fund Investment	\$50,000
Date of Investment	7.2.13

<b>Description</b>	GroupZoom creates pop-up mass transportation networks, such as Bridj, a smart mass transit system and Campus Connector, a bus service for colleges and universities. <a href="http://www.bridj.com">www.bridj.com</a>
<b>Use of Funds</b>	Working capital, personnel, product development and business development
<b>Status</b>	<b>Active</b>



## Faraday

Location	Middlebury, Burlington, SF
Fund Investment	\$75,000 ; \$100,000 ; \$25,000
Date of Investment	2.13.14 ; 1.21.15 ; 5/12/16

<b>Description</b>	Faraday helps companies sell things that matter to families that care. The company uses big data sources on over 100 million US households, proprietary learning algorithms and leading visualization tools to help companies find, reach and track customer acquisition programs for "considered purchases" like solar installations, college education, health care plans, etc <a href="http://www.faraday.io">www.faraday.io</a>
<b>Use of Funds</b>	Working capital, personnel, product development and business development
<b>Status</b>	<b>Active</b>



## BityBean

Location	Charlotte, VT
Fund Investment	\$30,000
Date of Investment	4.9.14

**Description** BityBean designs and creates convenient and packable soft-sided child carriers, with future products in development. [www.bitybean.com](http://www.bitybean.com)

**Use of Funds** Working capital, personnel, product development and business development

**Status** **Active**



## Budnitz Bicycles

Location	Burlington
Fund Investment	\$250,000 ; \$100,000
Date of Investment	5.1.14 ; 4.6.15

**Description** Budnitz Bicycles creates luxury handmade bicycles and accessories. The company relocated from Boulder, CO to Burlington. [www.budnitzbicycles.com](http://www.budnitzbicycles.com)

**Use of Funds** Working capital, personnel, product development and inventory.

**Status** **Active** - Subsequent to FY end, a \$20,000 Convertible Note investment was made in December 201

**New Model E electric bicycle weighing only 29lbs!**





## NextCapital Group

Location	Stowe, Burlington, Chicago
Fund Investment	\$250,000 ; \$50,000
Date of Investment	5.13.14 ; 12/11/15

**Description** NextCapital is an enterprise wealth adviser technology platform that allows large institutions, wealth managers and investors build and manage personal, objective, and affordable world-class investment portfolios and services. [www.NextCapital.com](http://www.NextCapital.com)

**Use of Funds** Personnel, Vermont company/office creation and business development

**Status** **Active**



## Ello

Location	Burlington/Boulder
Fund Investment	\$50,000
Date of Investment	10.17.14

**Description** Ello's mission is to transform the way creative people connect by fueling a worldwide movement based on beauty, positivity, and transparency. Ello is a Benefit Corporation

**Use of Funds** Personnel, Vermont company/office creation and development

**Status** **Active**



## Horse Network

Location	Burlington
Fund Investment	\$100,000
Date of Investment	10.21.15

**Description** The Horse Network is a digital media and publishing platform for horse people. Since launching in 2012, the Horse Network has quickly cultivated and connected a passionate international community of horse lovers, athletes, equine professionals, hobbyists, dreamers, and people who just think horses are cute. The network reaches over 20 million people monthly. [www.horsenetwork.com](http://www.horsenetwork.com)

**Use of Funds** Personnel, Vermont company/office creation and business development

**Status** Active



## Visura.co

Location	Stowe/NYC
Fund Investment	\$75,000
Date of Investment	11.19.15

**Description** Visura.co is professional global networking platform for photographers, large media buyers and organizations. The company is located in Stowe and NYC. [www.visura.co](http://www.visura.co)

**Use of Funds** Personnel, Vermont company/office creation and business development

**Status** Active

# Green Power Monitoring Systems, Inc (GPMS)

Location	Shoreham
Fund Investment	\$75,000
Date of Investment	6.15.16

**Description** Design, improve, and support the best available prognostic health management system globally, for all domains, and be recognized as the supplier of next generation innovative product. Visit [www.GPMS-VT.com](http://www.GPMS-VT.com)

**Use of Funds** Personnel, Product design, Vermont company/office creation and business development and working capital.

**Status** **Active**



## Realized Gains:

The Fund is at the point where some investments are beginning to mature to a liquidity point that produces a return of capital. This liquidity can be produced any number of ways via sale, merger, recapitalizations, liquidations, employee buyout, etc. This financial return is by design and necessary to cover Fund expenses, losses and for revolving the fund forward in order to make continued investments into new entrepreneurs and emerging growth companies.

During FY15, there were no realized gains from within the portfolio.

### Summary Data (1 Firm)

Total Fund Investment:	\$150,000
Cumulative Capital Raised:	\$4,203,630
Capital Leverage:	28.0x
Cumulative Wages Paid:	\$1,821,920
Cumulative Revenues:	\$2,833,799

### Sound Innovations, Inc.

Fund Investment	\$150,000 (May 2010)
Capital Returned	\$450,000 (Feb 2014)

Fund Investment  
Capital Returned

Fund Investment  
Capital Returned

Fund Investment  
Capital Returned

Fund Investment  
Capital Returned

## Realized Losses:

During FY16, one of the Fund's portfolio companies chose to dissolve and conduct an asset sale for a variety of factors. These six now failed companies and teams worked tirelessly towards finding a sustainable business model. While these risk takers did not reach their lofty goals, the work and impacts of the employees, founders and investors nevertheless contributed to Vermont's start-up ecosystem and in meeting two other Fund objectives for capital leverage and payroll creation.

## Summary Data (6 Firms)

Total Fund Investment:	\$1,035,000
Cumulative Capital Raised:	\$16,735,250
Capital Leverage:	16.2x
Cumulative Wages:	\$7,261,060
Cumulative Revenues:	\$5,366,068

## True Body Products

Fund Investment	\$50,000 ; \$10,000
Date of Investment	Jul 9 2010 ; Aug 8 2011

## eCorp English

Fund Investment	\$200,000
Date of Investment	Oct 22 2010

## Thermal Storage Solutions

Fund Investment	\$75,000 ; \$25,000
Date of Investment	Feb 22 2011 ; Nov 7 2011

## Evergreen Behavioral Solutions (vTrim Online)

Fund Investment	\$150,000 ; \$25,000
Date of Investment	Sep 6, 2011 ; Apr 27, 2012

## BuysideFX

Fund Investment	\$100,000 ; \$100,000
Date of Investment	5.16.12 ; 7.24.13

## Green Mountain Digital (Yonder)

Fund Investment	\$300,000 over 4 transactions
Date of Investment	Sept 2010 - May 2015