



2022

ANNUAL REPORT



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The Ohio Capital Fund (the “OCF”) was established to **increase the amount of private investment capital available for seed- and early-stage Ohio-based business enterprises**, with the goals of increasing employment, **creating additional wealth** and otherwise **benefiting the economic welfare of the people of the State of Ohio.**

TO THE OHIO VENTURE CAPITAL AUTHORITY:

We are pleased to present the 2022 annual report for The Ohio Capital Fund LLC (“OCF” or the “Fund”). Standard practice for the private equity asset class is to report underlying fund information one quarter in arrears. This report will include the most up-to-date information available as of June 30, 2022, for the underlying fund investments (the “Underlying Funds”).

All references to quarters in this report refer to calendar quarters, unless otherwise indicated in the context.

ANNUAL SUMMARY

As of June 30, 2022, the Fund’s gross total value to paid-in capital was 1.40x with a gross IRR of 5.6%. 2022 is much different from what we experienced in prior years with economic changes that have altered the investing climate, including venture capital. We have seen historic levels of inflation and steep interest rate increases that have completely flattened valuation multiples for unprofitable, high-growth companies. This high inflation has forced the Fed to raise rates to stabilize the markets, which may lead to economic slowdown and ultimately a recession. This clearly has effected start-up and high growth companies in many venture portfolios. Companies that went public in 2021 and early 2022, have seen substantial price drops as valuations across the board have been reset. This has also led to major markdowns within private company portfolios. Venture-backed exit value in the US reached \$33.6 billion in the first three months of 2022, marking an 82.5% collapse from the previous quarter, according to the latest PitchBook-NVCA Venture Monitor. While the total exit value for Q1 is more in line with figures posted in 2018 and 2019, it represents a stark decline from 2020 and 2021. The IPO window is virtually halted, leaving many potential unicorns having to find alternative routes for investors to receive returns. There are some positives, however. In the first six months of 2022, US venture capital funds have closed on \$121.5 billion in new funds, already representing the second-highest yearly total of all time. This will further buffer the capital available to startups over the next few years, providing a bit of a floor for venture capital investment regardless of the economic climate.

Approximately 88% of the Fund’s capital commitments were made to Ohio-based Underlying Funds and 12% to national Underlying Funds. This exceeds the requirement to commit at least 75% of the Fund’s investable capital in Ohio-based Underlying Funds. As of June 30, 2022, the Underlying Funds have invested in 107 Ohio-based early-stage companies. This past quarter, there were no new investments in Ohio-based companies.

In the last year, OCF received \$7.9 million in total distributions. The largest distribution during the year originated from Early Stage Partners II, L.P.’s investment in OnShift, Inc. (OnShift). OnShift is the leading provider of workforce management technology for post-acute and long-term care facilities. OnShift was acquired by ShiftKey, the largest platform for connecting independent licensed healthcare professionals with open shifts at healthcare facilities. The distribution represented an MOIC of 8.1x to Early Stage Partners II, L.P.

As of June 30, 2022, Underlying Funds had invested \$340.9 million, or 2.48 times the \$137.3 million funded amount, into the 107 Ohio-based early-stage companies. As a condition to receiving an investment from OCF, the Underlying Funds agree to invest at least 50% of the capital committed from the Fund into Ohio-based early-stage companies. This condition would imply a goal of at least \$69 million (50% of total Fund commitments of \$138 million). For each \$1.00 drawn down from the Fund by the Underlying Funds, \$10.25 has been invested in Ohio-based companies with the total investment from the Underlying Funds and co-investors included in those same financing rounds. Inclusive of all investors, \$1.41 billion has been invested into the 107 Ohio based early stage companies. According to the Economic Analysis of The Ohio Capital Fund report published by the Economics Department at the University of Cincinnati, an estimated \$36.5 million in real taxes have been collected to date from Ohio-based companies which received an investment from an Underlying Fund.

The Fund continues to have a positive impact on the Ohio venture capital ecosystem, fulfilling one of its missions as the Program Administrator.

Sincerely,

Buckeye Venture Partners

Economic Analysis of The Ohio Capital Fund

In order to understand the economic activity and impact that The Ohio Capital Fund has made in Ohio through its Underlying fund investments, the Economics Department at the University of Cincinnati was engaged to create a report and present the findings. The Academic Director of Applied Economics at the University of Cincinnati, Dr. Michael Jones, along with a Graduate Research Assistant, Jason Adams, led the research and produced the report that summarizes the economic activity of The Ohio Capital Fund through direct employment, wages and estimated state income taxes paid by workers in the invested firms. The data encompasses investment into companies from 2006 through 2021.

METHODOLOGY

Each quarter, the Ohio Department of Jobs and Family Services (“ODJFS”) receives data from every business in the State of Ohio that files unemployment insurance (“UI”) reports. By using jobs and wage data from the UI filings, this report analyzed the employment and tax impacts of the businesses in which OCF invested. A list of companies and investment timing data was matched against quarterly employment and wage filing data from the State of Ohio. Cumulative wages were calculated beginning with the quarter that the investment was first made into the company. If a company was acquired or changed ownership, then wages continued to be added to the cumulative total by tracking the physical address. Note: Due to inability to obtain access to the ODJFS data base, the most recent results are estimated for OCF companies. When access to the database is retained, the information will be updated.

Economic Analysis of The Ohio Capital Fund

RESULTS

The Ohio Capital Fund (OCF) is a fund of funds that was created by the State of Ohio in 2005 in order to improve the financing environment for small, but fast-growing, Ohio businesses. By using data from the State of Ohio's unemployment insurance (UI) filings, the State of Ohio can estimate the potential income taxes paid every year by individuals employed by companies which received funding from OCF.

Because the University of Cincinnati was unable to obtain the most recent employment and wage 2021 data for OCF companies, an estimate was calculated based on industry sector growth in Ohio. Overall private-sector wage growth across all Ohio industries was 7.5% in 2021, but 11.5% in the high-tech sector in which 90% of OCF companies operate.

Because these companies have been operating for several years, a weighted average of overall and specific industry figures were calculated as a proxy for the 11% income growth of OCF companies.

The table below shows that employees at OCF companies realized an increase of total income from \$124.6 million to \$138.3 million between 2020 and 2021. This growth generated nearly \$3.5 million in income tax revenue for Ohio in 2021. Because COVID-19 forced many companies to operate in a remote-work environment, companies in the technology space saw an increased demand for their services. This increased demand translated into higher wages and lower unemployment compared to the overall Ohio economy. OCF's early investment in these high-tech companies produced a larger return for the state of Ohio relative to investments that grow the overall economy.

Ohio Income Taxes Paid (Estimated in Real Values)										
	2006-2013	2014	2015	2016	2017	2018	2019	2020	2021*	Total
Gross Income (\$MM)	\$470.5	\$127.2	\$113.6	\$121.4	\$106.4	\$107.0	\$109.5	\$124.6	\$138.3	
AGI Percentage	98.5%	98.5%	98.5%	98.5%	98.5%	98.5%	98.5%	98.5%	98.5%	
AGI (\$MM)	\$463.8	\$125.3	\$111.9	\$119.7	\$104.8	\$105.4	\$107.9	\$122.7	\$136.2	
Tax Liability	2.6%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	
Taxes Paid (\$MM)	\$13.2	\$3.1	\$2.8	\$3.0	\$2.6	\$2.6	\$2.7	\$3.1	\$3.4	\$36.5

*Estimated based on publicly available Quarterly Census of Employment and Wages figures

\$1.41 BILLION

TOTAL INVESTMENT BY ALL INVESTORS,
INCLUDING THE OCF UNDERLYING FUNDS,
INTO 107 EARLY-STAGE OHIO COMPANIES

THE OCF PORTFOLIO HIGHLIGHTS

We are pleased to report on the continued increase in the level of Ohio-based investment activity. This helps fulfill The Ohio Capital Fund's mandate of increasing the amount of private investment capital available for seed- and early-stage Ohio-based business enterprises.

107 EARLY-STAGE OHIO COMPANIES

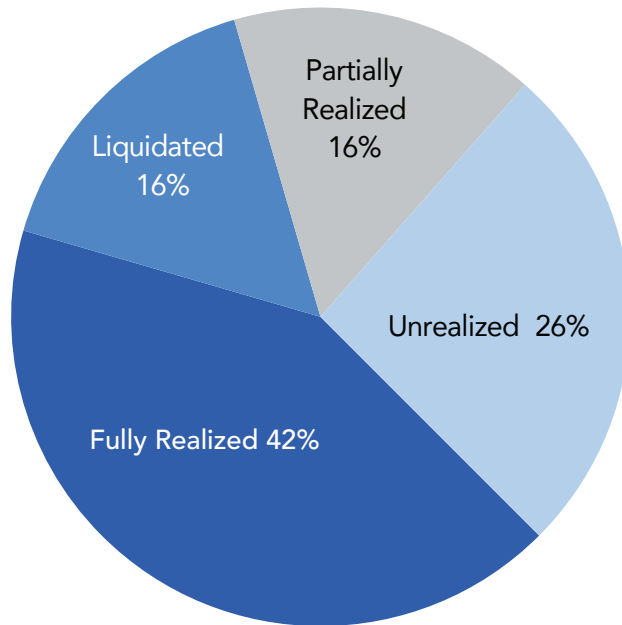
40 ACTIVE, HAVE RECEIVED INVESTMENT FROM THE OCF UNDERLYING FUNDS

3,219 JOBS
HAVE BEEN CREATED AND RETAINED BY THE 107 OHIO COMPANIES

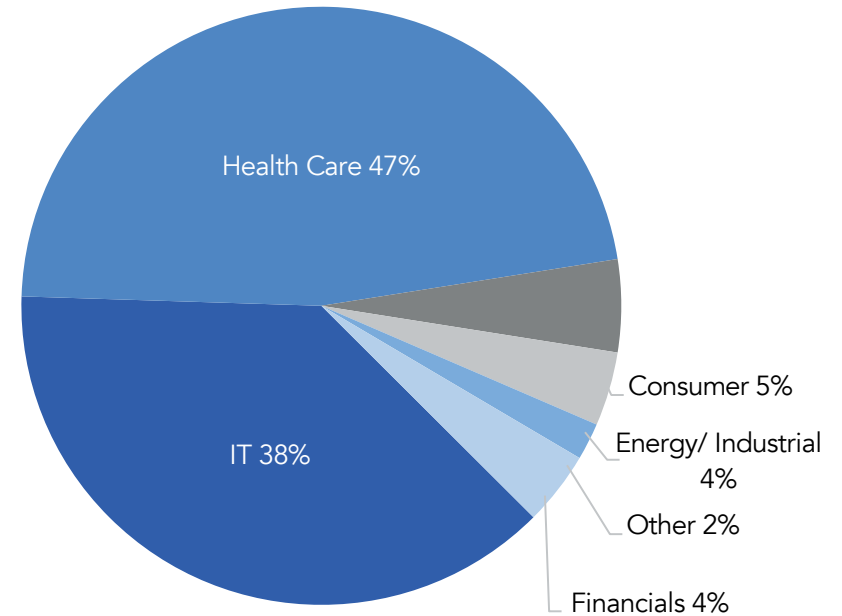
\$341 MILLION
CAPITAL INVESTED BY THE OCF UNDERLYING FUNDS IN THE 107 EARLY-STAGE COMPANIES

Portfolio Holdings

STATUS OF INVESTMENTS BY COST



REMAINING VALUE BY SECTOR



THE OCF UPDATE

THE OCF STRUCTURE

The OCF is funded by the issuance of publicly traded, S&P-rated bonds. Bond interest and principal are supported by means of contingent refundable tax credits from the State of Ohio. During the financial crisis of 2008, the lenders declined to renew the letter of credit backed credit facility, forcing the

OCF to refinance the facility with bonds in 2010. The refinancing provided the OCF with long-term stability, but at increased long-term costs relative to the original facility.

The bonds mature from 2014 to 2027 and pay current interest. In December of 2020, BVP refunded \$34.2 million of the Series 2013A (2027 term bonds). The refunding reduced the interest rate from 4.98% to 1.31%. In addition, the final maturity was left unchanged and the annual tax credit ceiling dropped from \$20 million down to \$16.4 million. A reduction in the required debt service reserve fund was also reduced as a result of the refunding. The refunding provided \$5.9 million of cash flow savings for the program over the life of the bonds.

In December 2015, BVP restructured the Series 2013A February and August 2016 maturities, totaling \$10.98 million call all or

a portion of the remaining \$10 million of Series 2010A term bonds maturing on August 15, 2027, bearing interest at 6.625%, and callable at par. Through prior bond calls, BVP has now redeemed the entirety of the \$10 million of the highest interest rate bonds outstanding and saved the program nearly \$4 million in future interest expense. Between these bond calls and the refunding, BVP has provided nearly \$10 million in future interest expense savings. BVP will continue to evaluate any opportunity in the future to reduce cash flow expense for the program when possible.

It is very difficult to forecast OCF's underlying future fund performance. BVP, manager of OCF, continues to monitor the cash flow projections on a daily basis. On February 15, 2022, BVP utilized \$1.08 million in tax credits. This resulted in an additional loan payment obligation of the Fund to the State of Ohio in the amount of \$1.08 million, which is subordinate to the payments due to the holders of the bonds. The loan payment obligation is due on the first February 15 or August 15 after the repayment of all bonds, and interest accrues at a rate of 4.225% per year. This tax credit draw was the lowest since BVP started using credits in 2017. BVP continually evaluates potential use of credits based on market conditions, Underlying Fund portfolio performance, and OCF's debt maturity schedules.

Fund Data (as of 06/30/22)

\$138.2 MILLION
COMMITTED TO
30 VENTURE CAPITAL FUNDS

\$139.9 MILLION
CAPITAL DRAWN FROM THE
30 VENTURE CAPITAL FUNDS

13 FUNDS WITH A **NEW**
PRESENCE IN OHIO INVESTING
\$177.7 MILLION
IN OHIO COMPANIES

\$149.8 MILLION
CUMULATIVE DISTRIBUTIONS
FROM UNDERLYING FUNDS

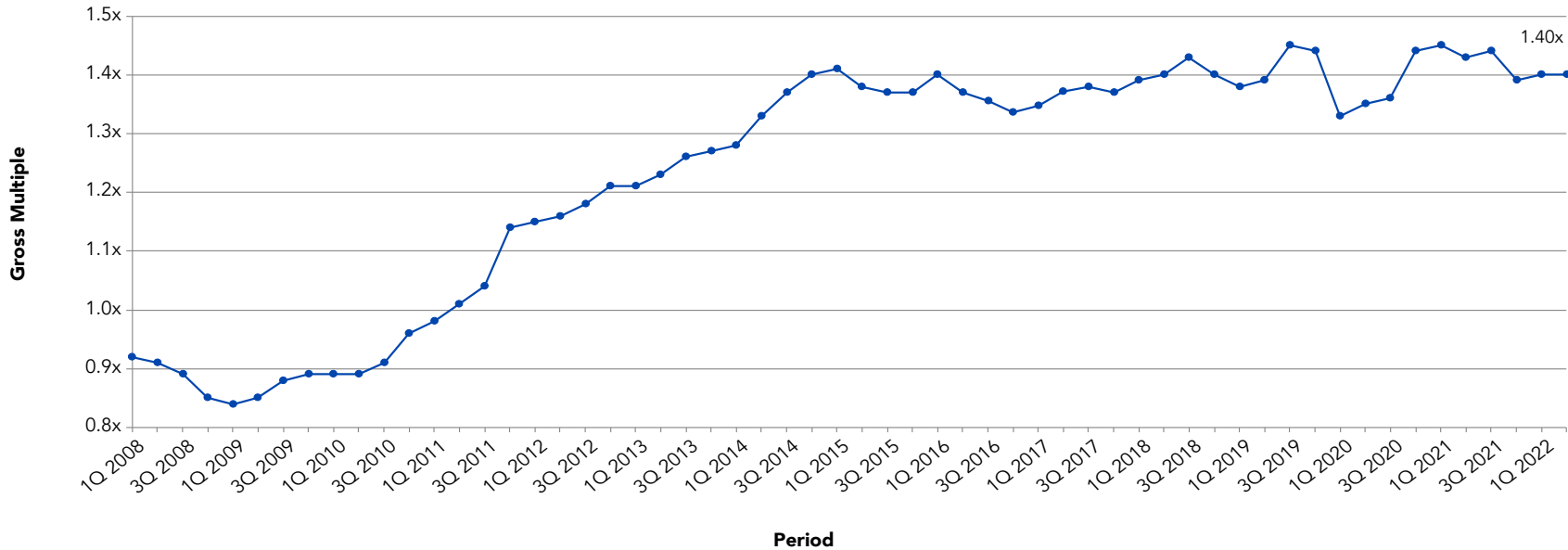
1.40x
GROSS RETURN MULTIPLE
ON FUND INVESTMENTS

5.6%
GROSS INTERNAL RATE OF
RETURN ON FUND INVESTMENTS
SINCE INCEPTION

\$45.9 MILLION
CURRENT NET ASSET VALUE

OCF Historical Multiples of Invested Capital

OCF HISTORICAL MULTIPLES OF INVESTED CAPITAL



Source: BVP. Data as of 06/30/22. Past performance is not indicative of future results. Interim Underlying Fund returns are net of the adjustment in value from RiverVest Ventures II.

Ohio Capital Fund Impact

CAPITAL IMPORTED FROM NATIONAL INVESTORS

The OCF has helped to attract nearly \$1.41 billion of private investment into 107 Ohio companies. \$341 million has come from the OCF Underlying Funds, with another \$1.07 billion coming from investors other than the OCF's Underlying Funds, investing in those same rounds of financing. The \$1.41 billion invested in these 107 companies has created an 10.25 leverage multiple on the \$139.5 million contributed by the OCF to date to its Underlying Funds.

The OCF investments have helped to attract capital into seed- and early-stage companies in Ohio. Of the OCF's 30 investments, 13 funds established a new presence in Ohio. Those 13 funds have since made direct investments into Ohio startups totaling \$177.7 million. Many of these funds had never invested in Ohio prior to receiving a commitment from the

OCF. Some of these companies have gone on to raise large amounts of capital from the non-OCF sources. Most of the OCF Underlying Funds invest at a critical time in the life of their startup companies, the Series A round of financing. The Series A investment is very important for startups to develop products, perform initial marketing and branding, hire key employees and begin business operations. For startups that survive, this eventually leads to the growth round of financing, when large, influential venture funds from around the country will invest to support the startup's continued growth. Without strong, active local venture funds, like the ones within the OCF portfolio, startup companies typically either move closer to the coasts where most large venture funds are located, or they never receive the growth funding that enables them to reach their full potential, and they stay small or go out of business entirely.

A light blue silhouette of the state of Ohio is centered on the page. The background is a dark blue gradient with a repeating pattern of binary code (0s and 1s) in a lighter shade of blue.

\$1.07 BILLION
COMING FROM INVESTORS
OTHER THAN THE OCF'S
UNDERLYING PORTFOLIO FUNDS

\$1.41 BILLION
TOTAL INVESTMENT BY ALL
INVESTORS, INCLUDING THE OCF
UNDERLYING FUNDS, INTO 107
EARLY-STAGE OHIO COMPANIES

\$177.7 MILLION
INVESTED INTO OHIO STARTUPS
FROM 13 FUNDS WITH A NEW
PRESENCE IN OHIO

ATTRACTING EARLY-STAGE INVESTMENT CAPITAL TO OHIO

Source: BVP.

Arboretum Ventures
Detroit Venture Partners
General Motors Ventures
Plymouth Ventures

Draper Triangle Ventures

Charter Life Sciences
Intel Capital
Kearney VP
Sutter Hill Ventures
Technology Crossover Ventures
US Venture Partners

RiverVest Venture Partners

Boston Scientific
Braemer Energy Ventures
Canaan Partners
Edison Partners
Fletcher Spaght Ventures
New Science Ventures
OrbiMed Advisors
Radius Ventures
SV Life Sciences

Chrysalis Ventures

Sun Mountain Capital
Flywheel Ventures

DFJ Mercury

Arsenal Venture Partners

The OCF Underlying Funds
National Fund Co-Investor

OCF Underlying Company Update



In June, Cleveland-based OnShift was acquired by ShiftKey. ShiftKey is the largest platform for connecting independent licensed healthcare professionals with open shifts at healthcare facilities in the U.S. The journey from small local startup, who received capital from venture capital funds that were funded by the Ohio Capital Fund ("OCF"), to an attractive acquisition target, was one that we felt deserved recognition.

OnShift, Inc. is a software company that was founded in early 2008 to address the nurse scheduling and staff management needs of the long-term care and senior living industries. Seeing a substantial market opportunity, it raised initial capital from a group of local Ohio angel investors in early 2009. By that summer, the company had grown to 15 customers, five employees and the founders had a strong belief that it could succeed.

In late 2009, in order to fortify OnShift's growth, the Company set off to raise their next round of capital. Founder Mark Woodka had previously been a part of two other Ohio-based start-ups, in 1998 and 2002, when the ecosystem for early-stage capital was non-existent in Ohio. Woodka raised money in New York and Pennsylvania for the two prior start-ups and was pleasantly surprised to find an extremely robust early-stage funding ecosystem had grown in Northeast Ohio in the six years since he had last raised institutional venture capital. OnShift was able to raise venture capital from Draper Triangle Ventures, Early Stage Partners, and Glengary Ventures, all funds that had received funding from OCF. In the years following the initial capital raise from the syndicate of OCF underlying funds, OnShift was able to leverage those dollars to raise another \$60 million from multiple investors outside of Ohio. In total, OnShift raised \$76.5 million in venture capital, to build out business and position itself for an ultimate exit.

OnShift was able to successfully navigate tough economic times, with the Covid pandemic and recent inflationary concerns, and continued to create new products while also positioning themselves for an acquisition. ShiftKey and OnShift completed a couple of pilots to test sales lift and cross sell opportunities and the results were very favorable. This helped lead to the ShiftKey acquisition in June. According to a press release from ShiftKey, "The vision behind this partnership is to provide facilities with a holistic view of their schedule showing their own workforce and independent workers in one place to create visibility into their costs and continuing to offer flexibility for how to meet the needs of their business." While ShiftKey and OnShift will continue to operate independently, clients will benefit from additional new and innovative product offerings to help solve the operational challenges impacting healthcare administrators every day.

At the time of acquisition, OnShift employed nearly 200 people in their Cleveland headquarters. We are proud of the OnShift success story and the ability to raise capital through the Ohio fund raising continuum that led to this successful exit.





Source: BVP, Early Stage Partners and OnShift.com

Ohio Investment Requirement

Investment	Commitment Year	Commitment	% Funded	Achievement of Ohio Investment Commitment ¹	Amount Fund has Invested in Ohio Companies ²
Early Stage Partners Fund II, L.P.	2007	\$10,000,000	100.7%	6.9x	\$34,466,624
Draper Triangle Ohio Ventures, L.P.	2005	6,000,000	84.6%	11.1x	33,196,608
SV Life Sciences Fund IV, L.P. ³	2006	5,000,000	97.1%	12.3x	30,787,000
NCT Ventures Fund II, L.P.	2015	2,000,000	100.0%	24.6x	24,649,391
NCT Ventures Fund I, L.P.	2008	5,000,000	100.4%	8.3x	20,733,546
Draper Triangle Ventures Ohio III, L.P.	2013	4,000,000	100.0%	8.9x	17,880,000
Reservoir Venture Partners II, L.P.	2006	5,000,000	93.4%	6.7x	16,800,000
Edison Venture Fund VII, L.P.	2011	8,000,000	100.4%	4.0x	16,181,043
Charter Life Sciences (Ohio) II, L.P.	2008	6,150,000	99.2%	5.1x	15,762,000
River Cities Capital Fund IV, L.P.	2006	10,000,000	92.6%	3.1x	15,395,000
Primus Capital Fund VI, L.P.	2007	6,163,262	93.9%	4.8x	14,690,000
Athenian Venture Partners III, L.P.	2009	2,000,000	104.2%	11.6x	11,610,000
Allos Ventures II, L.P.	2012	2,000,000	100.1%	11.5x	11,460,000
Chrysalis Ventures (Ohio) III, L.P.	2006	10,000,000	100.3%	2.2x	10,927,000
Radius Venture Partners (Ohio) III, QP, L.P.	2008	5,000,000	89.1%	4.2x	10,380,000
Arboretum Ventures IIa, L.P.	2008	6,000,000	100.8%	3.2x	9,620,000
RiverVest Venture Fund II (Ohio), L.P.	2007	8,000,000	81.0%	2.0x	8,170,000
Edison Venture Fund VIII, L.P.	2015	2,000,000	100.0%	6.9x	6,880,000
Glengary LLC	2008	2,000,000	96.1%	6.5x	6,525,994
FSV II-B, L.P.	2008	8,000,000	100.6%	1.4x	5,640,000
RiverVest Venture Fund III (Ohio), L.P.	2014	2,000,000	100.0%	5.5x	5,450,000
SunBridge Partners Technology Fund III, L.P.	2006	4,000,000	100.8%	2.5x	4,950,000
QCA First Fund III, LLC	2009	500,000	100.0%	16.9x	4,220,000
Arsenal Venture Partners IIa, L.P.	2009	6,000,000	94.1%	1.1x	3,340,000
Emerging Market Fund, LLC	2011	250,000	100.0%	9.6x	1,200,000
Total Portfolio		\$125,063,262	96.2%	5.5x	\$340,914,206

Source: BVP. Data as of 06/30/22. ¹Achievement of Ohio Investment Commitment measures dollars invested in Qualified Ohio-based companies versus the Underlying Funds' total commitment to invest into Ohio-based companies. ²The amount the Fund has invested in Ohio companies may include parallel or related fund investments. ³Non-Ohio Fund. Past performance is not indicative of future results.

OCF Remaining Value Summary

Underlying Fund	Residual Value (\$MM)	% of Total Residual Value	No. of Active Companies	Potential Value Drivers
Draper Triangle III	\$5.2	11%	8	 
Edison VII AF I	5.0	11%	7	 
Early Stage Partners II	4.1	9%	7	 
Arsenal Ventures IIa	3.9	9%	12	 
FSV II-B	3.4	7%	9	 
Remaining Funds	29.9	53%	114	 
Total	\$45.9	100%	156	

Data as of 06/30/22. Based on Underlying Funds with largest Residual Values. Past performance is not indicative of future results. For informational purposes only. Not intended as investment advice.

Active Ohio Companies

The portfolio companies are distributed across Ohio but are concentrated in the areas of Cleveland, Columbus and Cincinnati. The active Ohio-based company investments are primarily focused in the IT and health care sectors relative to the number of companies at 68% and 20%, respectively. As measured by the dollars invested, IT companies represented 59% of the capital invested into active Ohio companies

while health care companies represented 29%. Energy and communications sectors together represented 5% of the number of companies and 9% of the dollars invested in active Ohio-based companies through June 30, 2021. Remaining businesses represented 7% of the companies and 3% of capital invested. The active companies and their respective sectors are as follows:

Active Ohio Companies

Portfolio Company	City	Sector	Portfolio Company	City	Sector
10X Engineered Materials, LLC.	Columbus	IT	JadeTrack Inc.	Columbus	IT
7Signal Solutions, Inc.	Akron	Communications	Juventas Therapeutics	Cleveland	Health Care
Aerpio Therapeutics	Cincinnati	Health Care	Kare Intellex, Inc.	Columbus	IT
Akebia Therapeutics, Inc.	Cincinnati	Health Care	Lukla LLC	Cincinnati	Consumer
Arisdyne Systems, Inc.	Cleveland	Energy	Mezu, Inc.	Cleveland	IT
AVE Automedia Inc.	Columbus	IT	Nikola Labs Inc.	Columbus	IT
Aver, Inc.	Columbus	IT	Olive Inc.	Columbus	Health Care
Azoti	Columbus	IT	Onseen Marketing, Inc.	Columbus	IT
Beagle Bioproducts, Inc.	Columbus	Health Care	OnShift	Cleveland	IT
Blue Spark Technologies	Westlake	IT	Ovation Polymers, Inc.	Medina	Other
Career Town Network	Columbus	IT	Pacejet	Columbus	IT
Commuter Advertising, Inc.	Dayton	Consumer	PriorAuthNow, Inc.	Columbus	Health Care
Cordata	Cincinnati	IT	Roost Enterprises, LLC	Columbus	IT
Data Inventions Inc	Cleveland	IT	SafeChain Financial Inc.	Columbus	IT
DOmedia LLC	Columbus	IT	Securus Medical Group, Inc.	Cleveland	Health Care
Enosix	Cincinnati	IT	Solutions Vending Intl Inc.	Columbus	IT
Ethex, LLC	Columbus	IT	The CLE Group Inc.	Cleveland	IT
Exacter	Columbus	IT	veDiscovery LLC	Cleveland	IT
FactGem Holdings Inc.	Columbus	IT	VentureMed Group	Toledo	Health Care
Healthy Roster Inc.	Columbus	IT	Wiretap	Columbus	IT

Fund Development & Governance

Members of BVP have a seat on either the Advisory Board or Investment Committee on 23 of the 25 active Underlying Funds. BVP is extremely active in advising the Underlying Funds on annual valuations, portfolio decisions, and any potential conflicts. In addition, BVP continually monitors Ohio investment activity by collecting and aggregating Ohio-based investment information from all of the Underlying Funds on a quarterly basis. Data such as dollars invested in new and existing Ohio companies, size of financing rounds, and jobs created and retained are collected quarterly. BVP continues to be active within the Ohio venture capital ecosystem through involvement in the Ohio Venture Association, Venture Ohio, and attending conferences throughout the State of Ohio.

As of June 30, 2022, BVP has held 20 days of fund presentations in Columbus and hosted a total of 58 prospective funds. During these sessions, the funds made formal presentations to

the members of the BVP investment committee and also had the opportunity to answer due diligence questions asked by BVP. Of the 58 funds that have presented to date, BVP has made commitments to 30 funds, 25 of which are still active. BVP declined investment in 18 of the funds that presented to BVP, only three of which are currently based in Ohio. Fourteen funds withdrew their applications for various reasons. The most common reason for an application withdrawal was a fund's unwillingness to meet the requirements of the Fund's policy. Since inception, formal applications have been received from 65 funds as shown in the chart on the following page, including 48 Ohio-based or prospective Ohio-based funds and 17 national funds. Most significantly, 28 of the 48 potential Ohio-based funds were funds that are or could be new Ohio-based funds. The chart on the following page contains data through June 30, 2022. Note that some funds apply but are not asked to present.

Fund Development & Governance

	Existing ¹	Ohio-based Funds Prospective/ New ²	Subtotal	National Funds ³	Fund Total
Fund Presentation Data					
Number of Fund Commitments	12	13	25	5	30
Approved but not Closed	0	0	0	0	0
In Due Diligence	0	0	0	0	0
Declined ⁴	2	11	13	5	18
Withdrew ⁵	2	5	7	2	9
Total Funds Presented	16	29	45	12	57
Application Data					
Number of Fund Commitments	12	13	25	5	30
Approved but not Closed	0	0	0	0	0
In Due Diligence	0	0	0	0	0
Declined ⁴	3	10	13	7	20
Withdrew ⁵	2	7	9	5	14
Total Applications Received	17	30	47	17	64

¹Existing funds refer to funds that were Ohio based funds prior to submitting an application to the Ohio Capital Fund. ²Prospective/New funds refer to funds that would be a first time Ohio fund (either new or in parallel with an out of state fund). ³Two national funds entered the Ohio Capital Fund diligence process without formally applying but are counted as applying. ⁴Declined for investment by BVP. ⁵Withdrew application for consideration by the fund manager. Source: Fort Washington Capital Partners Group. BVP.

BUCKEYE VENTURE PARTNERS, LLC

In 2004, the newly created Ohio Venture Capital Authority ("OVCA") instituted an investment policy for the State's fledgling venture capital fund-of-funds program embodied by the OCF and issued a request for proposals ("RFP") from private fund managers to fill the role of program administrator. Buckeye Venture Partners, LLC ("BVP"), which was formed as a joint venture between Cincinnati-based Fort Washington Investment Advisors, Inc., and Cleveland-based Peppertree Partners, LLC, was selected from among the RFP respondents and engaged by the OVCA to serve as program administrator in January 2005. BVP is the sole manager of the OCF and is currently a subsidiary of Fort Washington Investment Advisors, Inc., following its acquisition in 2008 of Peppertree. Fort Washington Capital Partners Group ("FW Capital") is the institutional private equity division of Fort Washington Investment Advisors.

Investment Team



STEPHEN A. BAKER, CO-HEAD OF PRIVATE EQUITY

Steve has over 25 years of private equity experience, having invested in more than 50 companies in his career. He is a member of the FW Capital investment committee and serves on several portfolio fund advisory boards. Prior to FW Capital, Steve was a principal with Seaport Capital Partners, a New York-based private equity firm, where he made growth equity and buyout investments in the media, communications, Internet and telecom sectors. Steve earned his BA, cum laude, in History from the University of Cincinnati and his MBA from the Stern School of Business at New York University.



TARIK ADAM, SENIOR INVESTMENT MANAGER

Tarik, with an office in Cleveland, joined FW Capital in 2008 and focuses on venture capital investments. Tarik has over a decade of relevant public and private equity experience. Prior to joining FW Capital, Tarik was an Investment Manager at Peppertree Partners, a Cleveland-based fund of funds manager. At Peppertree, Tarik managed primary investments in venture capital funds. Tarik earned a BS in Business Administration from The Ohio State University and an MBA from the Weatherhead School of Management at Case Western Reserve University.



Program Overview

Ohio's venture capital funds program, codified mainly in Chapter 150 of the Revised Code, was overwhelmingly passed by the 124th Ohio General Assembly in December 2002 and signed into law by then-Governor Bob Taft in January 2003. Promoted by a broad section of the business community statewide and enacted with bipartisan support, the program was established to increase the amount of private investment capital available in Ohio for seed- and early-stage businesses based here, with the long-term goals of increasing employment, creating additional wealth and otherwise benefiting the economic welfare of the people of Ohio.

The program calls for the creation of a venture capital fund of funds (the "program fund") to be managed by a private investment management firm as program administrator, and capitalized through sales of debt securities to private-sector investors. The proceeds of these sales would be used to make investments in private, for-profit venture capital funds ("VC funds") and pay program fund expenses. The statutory design of the program requires that at least 75% of the program fund's investments be made in VC funds based in Ohio, and that every VC fund receiving a program fund investment — whether the fund is Ohio-based or not — must agree to invest at least a specified minimum amount in seed- or early-stage businesses based in Ohio, the minimum amount being equal to 50% of the program fund's total investment in that VC fund.

To encourage lenders to capitalize the program fund, the legislature designed the program so that if, at any point, the returns on the program fund's underlying investments in VC funds have been insufficient to enable it to repay its loans on schedule, then the lenders would be entitled to receive refundable State tax credits to the extent of the shortfall. The State, then, serves as a guarantor of the program fund's obligations to its lenders. The statutes authorize the issuance of up to a maximum of \$380 million in tax credits over the life of the program ending in the year 2036, but not more than \$20 million in tax credits in any one year.

Buckeye Venture Partners, LLC, was engaged by the OVCA to serve as program administrator in January 2005 with a mandate to minimize the likelihood of using tax credits. During 2005, the OCF was formed to act as the program fund envisioned by R.C. Chapter 150. In the same year, the OCF closed on its initial debt financing facility, under which it received total lending commitments of \$58 million, and began to perform due diligence and make equity investment commitments in underlying VC funds. The OCF continued to pursue its fundraising activities while its investment program was proceeding, and in October 2006, its total lending commitments increased to \$150 million.

In 2009, responding to the disruptive events in worldwide financial markets that began in late 2008, the Ohio legislature amended the program

to enable the OCF to refinance and replace its original lending facility with a more stable lending facility involving port authority conduit revenue bonds, backed by refundable tax credits as before. It had been recognized by the legislature, the OVCA, then-Governor Ted Strickland, and the program administrator that the switch to a bond-based facility was necessary because financial market conditions were making the debt service costs under the OCF's original facility ever more expensive and untenable.



The OCF held the initial closing under its port authority revenue-bond financing facility in 2010, at that time receiving authorization from the OVCA to borrow up to approximately \$169 million. Overall, the OCF was authorized to borrow a principal amount sufficient to yield, net of capitalized interest, \$150 million for VC fund investments and program fund expenses. In 2013, the OCF took advantage of lower interest rates to reduce its long-term debt service costs by restructuring a part of the bond indebtedness incurred in 2010. At that time, the OVCA increased the limit on the OCF's total principal indebtedness to approximately \$179 million.

On May 27, 2010, RBC Capital Markets underwrote a bond offering to sell taxable bonds to refinance the existing obligations of the Fund and to provide cash for the future operations and investment activity of the Fund. The bonds were issued by the Columbus-Franklin County Finance Authority acting as a conduit to the Fund. In August 2013, \$60.4 million of the term bonds were refinanced to obtain a lower rate. The term bonds had a fixed rate of 6.625% and they were refinanced at an average rate of 4.3%.

In December 2015, BVP restructured the Series 2013A February and August 2016 maturities, totaling \$10.98 million of refunded bond par, to provide the flexibility to call all or a portion of the remaining \$10 million of Series 2010A term bonds maturing on August 15, 2027, bearing interest at 6.625%, and callable at par. The current bond structure is outlined below along with the call features of the bonds. The bonds were rated AA- by Standard & Poor's. See the following summary of the bonds as of June 30, 2021:

Financing Summary

Series	Bonds	Provisions	Amount	Rate	Amortization
Par Call Bonds					
2015A	Term	8/15/2018 @ Par	5,265,000	3.000%	2/15/2025 - 8/15/2025
2015A	Term	8/15/2018 @ Par	3,500,000	3.496%	2/15/2026 - 8/15/2026
2015A	Term	8/15/2018 @ Par	1,940,000	3.250%	2/15/2026 - 8/15/2026
2015A	Term	8/15/2018 @ Par	5,615,000	3.300%	2/15/2027 - 8/15/2027
2015B	Serials	8/15/2021 @ Par	1,750,000	3.00 - 3.25%	2/15/2022 - 2/15/2025
2015B	Term	8/15/2021 @ Par	785,000	3.250%	2/15/2024 - 8/15/2024
2020A	Term	8/15/2020 @ Par	34,270,000	0.926% - 1.601%	2/15/2024 - 8/15/2027
Total Par Call Bonds			\$53,125,000		
Make-Whole Call Bonds					
2013A	Terms	UST +25bps	13,595,000	4.0 - 4.25%	8/15/2021 - 8/15/2023
2015A	Serials	UST +25bps	12,500,000	2.551 - 3.0%	8/15/2021 - 8/15/2024
Total Make-Whole Call Bonds			\$26,095,000		
Outstanding Bonds					
2013A	Various	Various	13,595,000	1.357 - 4.982%	2/15/2016 - 2/15/2027
2015A	Various	Various	28,820,000	2.551 - 3.496%	8/15/2021 - 8/15/2027
2015B	Various	Various	2,170,000	2.0 - 3.25%	2/15/2017 - 2/15/2025
2020A	Various	Various	34,270,000	0.926% - 1.601%	2/15/2024 - 8/15/2027
Total Outstanding Bonds			78,855,000		

Loan Payment Schedule

OCF Schedule of Loan Payments			
Bond Payment Date	Principal Payments	Interest Payments	Total Debt Service
08/15/22	7,245,000	976,526	8,221,526
02/15/23	7,350,000	848,135	8,198,135
08/15/23	7,505,000	711,483	8,216,483
02/15/24	8,115,000	570,494	8,685,494
08/15/24	7,910,000	501,635	8,411,635
02/15/25	7,745,000	436,013	8,181,013
08/15/25	7,650,000	364,770	8,014,770
02/15/26	7,775,000	295,985	8,070,985
08/15/26	7,345,000	211,520	7,556,520
02/15/27	7,430,000	129,471	7,559,471
08/15/27	2,785,000	45,953	2,830,953
Totals	\$78,855,000	\$5,091,984	\$83,946,984

Ohio Venture Capital Authority

As part of the venture capital funds program, the Ohio legislature established the Ohio Venture Capital Authority (“OVCA”) to provide oversight of the program fund. The OVCA consists of three members appointed by the Governor, one selected from a list of nominees provided by the President of the Senate, and one selected from a list of nominees provided by the Speaker of the House of Representatives. The Director of Development and the Tax Commissioner serve as advisors. The statutory responsibilities of the OVCA are:

- To establish, and modify from time to time as the OVCA sees fit, a written policy governing the investment of program fund monies in underlying VC funds, including diversification and other requirements.
- To select through a competitive bidding process, and negotiate and conclude a management agreement with, a private, for-profit investment management firm to serve as program administrator, manage the program fund’s debt financing and venture capital investing activities, and negotiate contracts with lenders and VC funds on the program fund’s behalf.
- To issue tax credits to the program fund’s lenders to the extent of any loan losses they might experience, when the program administrator has certified the occurrence and the amount of such losses to the OVCA.
- To enter into agreements with lenders to the program fund containing terms and conditions governing the OVCA’s issuance of tax credits to them.
- To give a report annually to the Ohio legislature concerning the financial and investment affairs of the program fund and the OVCA’s assessment of the program’s achievement of its economic development purpose.



Mark Williams, Chairman OVCA
Managing Director of Manchester Partners

MBA from the Harvard Business School
Polytechnic University (NYU)



James Kunk, Member OVCA
Chairman of the Board of State Auto Mutual Insurance Company

Bachelor of Administration at Ohio State University
Graduate School of Banking at the University of Wisconsin

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