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**SERIES SUPPLEMENT**

**FOR**

**AVG BLOCKCHAIN FUND 1, LLC**

**A SERIES OF**

**Launch Angels Funds, LLC**

**DBA**

**ALUMNI VENTURES GROUP FUNDS**

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## SERIES SUPPLEMENT

This AVG Blockchain Fund 1, LLC Series Supplement (“*Supplement*”) supplements the Amended and Restated Operating Agreement (“*AVGF Agreement*”) of Launch Angels Funds, LLC which is doing business as Alumni Ventures Group Funds (“AVGF”). AVGF is a Delaware series limited liability company. Terms used but not defined herein shall have the meaning set forth in the AVGF Agreement.

In connection with the offering and sale of interests in AVG Blockchain Fund 1, LLC, a series of AVGF (the “*AVG BC 1 Series*”) managed by Launch Angels Management Company, LLC, which is doing business as Alumni Ventures Group, a Massachusetts limited liability company (“*Manager*”), has issued such offering memorandum dated when issued and as may be updated from time to time (the “*Offering Memo*”) which describes the terms of AVGF and the AVG BC 1 Series. This Supplement contains certain terms that are specific to the AVG BC 1 Series. This Supplement should only be read in conjunction with the AVGF Agreement. The AVGF Agreement shall control with regard to any provision or circumstance that is not directly and specifically altered by a provision set forth herein. This Supplement and the AVGF Agreement shall be binding upon all persons who become Members of AVGF and AVG BC 1, LLC (“*AVG BC 1 Series Members*”).

The following additions shall supersede, amend or be read in addition to any complementary provisions of the AVGF Agreement:

### **First Addition:**

**1.6 Series Name.** The name of the Series is “AVG Blockchain Fund 1, LLC.”

### **Second Addition:**

#### ***3.1.2 Manager and Members, Initial Capital Contributions.***

(a) The minimum Initial Capital Contribution of each AVG BC 1 Series Member shall be \$50,000 unless otherwise agreed by the Manager in its sole discretion.

(b) The maximum Capital Contribution of each AVG BC 1 Series Member is \$1,000,000 unless otherwise agreed by the Manager in its sole discretion.

(c) AVG BC 1 Series Members may make voluntary Additional Capital Contributions not to exceed \$500,000 in the aggregate at any time prior to the Final Closing (or such higher amount agreed by the Manager in its sole discretion).

(d) The maximum Fund size, based on contributions by Members, shall be \$10,000,000, unless otherwise determined by the Manager in its sole discretion.

### **Third Addition:**

**3.1.5 Closing Date; Investment Period.** Upon receipt of subscriptions for at least an amount to be determined by the Manager in its discretion (the “*Minimum Offering*”), the Manager may declare that a closing (the “*Initial Closing*”) will occur whereby: (a) the Manager will call capital from persons who have completed and delivered the Subscription Agreement and who have met the requirements set forth therein, (b) the Manager will accept tendered subscriptions by executing the Global Signature Page referenced in the Subscription Agreement, and (c) this Supplement will be effective. Initial Capital Contributions shall be made within five business days following the capital call by the Manager unless the Managing Member otherwise agrees. The Initial Closing will occur on or after November 1, 2017 and additional Units up to an amount to be determined by the Manager in its discretion will be issued as additional subscriptions are accepted at additional closings, which may occur from time to time until the final closing (the “*Final Closing*”) which shall be April 30, 2018, subject to the right of the Manager to extend the period of the Offering for up to 90 days in its sole discretion. On and after the Initial Closing, the Manager may declare that the Investment Period has commenced and may begin making investments in virtual currencies, non-security tokens, tokenized securities, related instruments, cash and cash equivalents, and such other holdings that may be consistent with disclosures made to AVG BC 1 Series Members. The Investment Period shall end on the date that is the earlier of 12 months after the Investment Period begins and the date that the Manager declares that the Investment Period will terminate, and is anticipated to fall within the 12-month time period. The Manager may extend the date the Investment Period terminates with the consent of a majority of the members of the Committee (as defined below). The Fund anticipates holding the Digital Assets for an extended period following the Investment Period (“*Holding Period*”). The Holding Period for a particular Digital Asset may be relatively short or may be considerably longer. The Holding Period has no required termination date other than the term of the Fund, and the Manager is not required to dispose of assets at any particular time.

### **Fourth Addition:**

**5.7 Distributions of Earnings.** The AVG BC 1 Series may make Distributions to the AVG BC 1 Series Members upon disposition of AVG BC 1 Series Holdings as follows:

5.7.1 first, to the AVG BC 1 Series Members until the AVG BC 1 Series Members have received distributions under this **Section 5.7.1** in the cumulative amount equal to the Capital Contributions made by the AVG BC 1 Series Members;

5.7.2 thereafter, 80% to the AVG BC 1 Series Members and 20% to the Manager; and

5.7.3 the amount distributable will include all realized income and expense items reduced by any accrued management fees on these items.

5.7.4 Any such Distributions will be charged to the AVG BC 1 Series Members’ respective AVG BC 1 Series Capital Accounts. Distributions may be suspended at any time at the sole discretion of the Manager. Distributions may be made in-kind in the discretion of the Manager, if the Manager determines such distributions to be in the best interests of the Fund and generally not adverse to AVG BC 1 Series Members.

## **Fifth Addition:**

**7.3 Investment Committees. Appointment and Duties of AVG BC 1 Series Management and Investment Committee.** At or prior to the Final Closing for AVG BC 1 Series, the Manager shall appoint and coordinate the activities of the AVG BC 1 Series Management and Investment Committee (“*Committee*”) to review potential investments identified by the Committee or the Manager, and advise appropriate investments for AVG BC 1 Series. The Committee shall be appointed by the Manager and shall consist of any number of members determined in the Manager’s discretion. A representative of the Manager may serve on the Committee. The Manager may appoint or remove members of the Committee in the Manager’s sole discretion.

The Committee will meet from time-to-time. The Manager and the Committee will be primarily responsible for identifying potential investments for the AVG BC 1 Series, but also address issues of security, accounting and any other business activities related to the operation of AVG BC 1 Series. The Committee will advise on investments to the Manager. The Manager will make the final investment decision, then negotiate and consummate the acquisition of assets recommended by the Committee on terms that are not materially different from those presented by the Committee.

## **Sixth Addition:**

**7.5 Fees, Expenses, Time Services; Investment Opportunities and Co-Investments.**

7.5.1 (a) *Management Fee.* The AVG BC 1 Series will charge each Member an amount equal to 2% per annum of each AVG BC 1 Series Member’s capital contributions to the AVG BC 1 Series for the ten-year term of such Series (the “*Management Fee*”). This Management Fee will be paid to the Manager as payment for ongoing services to the AVG BC 1 Series and may be drawn from time to time at the Manager’s sole discretion so long as sufficient reserves are maintained for the ongoing costs and expenses of operating the AVG BC 1 Series. The Manager and certain members of the Investment Committee may also participate in the distribution of profits from the Fund.

(b) *Other Expenses.* The AVG BC 1 Series shall bear all of its own expenses not specifically assumed by the Manager, including, in addition to the expenses described elsewhere in this Operating Agreement: virtual currency and token transaction fees and equivalents; the costs of exchanges; fees and expenses of the AVG BC 1 Series’ custodian(s), wallet(s), exchange(s), and other means of holding any assets, the AVG BC 1 Series’ administrator(s) if any, the Company’s (as to any matters pertaining to the AVG BC 1 Series) or the AVG BC 1 Series’ legal counsel which may be U.S. or non-U.S. counsel (including fees and expenses of such counsel, which may also be the Manager’s counsel, in advising the Manager if directly pertaining to the AVG BC 1 Series); fees and expenses of the Manager’s accountants, any auditors, and any tax consultants; fees and expenses for fund accounting, valuation, and tax preparation; fees and expenses of other consultants; interest payable by the AVG BC 1 Series including on borrowings (if any), margin interest, and similar interest; the costs of any insurance

obtained for the AVG BC 1 Series and for the Manager to the extent pertaining directly to the AVG BC 1 Series; placement agent fees; the costs of errors and omissions insurance for the AVG BC 1 Series and, to the extent pertaining to the Fund, the Manager; the travel expenses of the Manager's personnel relating directly to the AVG BC 1 Series; and all other fees, expenses and charges not expressly to be borne by the Manager.

**Seventh Addition:**

**7.5 Tax Matters Partner.** The Tax Matters Partner and "tax representative" (within the meaning of U.S. federal tax regulations) of the AVG BC 1 Series will be Michael Collins.

**Eighth Addition:**

**Schedule A.** Schedule A to the AVGF Agreement is supplemented by the information with respect to the Members of the AVG BC 1 Series that is set forth on the books and records of the Manager with respect to the AVG BC 1 Series.

**EXHIBIT A**

**AMENDED AND RESTATED OPERATING AGREEMENT  
OF  
LAUNCH ANGELS MANAGEMENT COMPANY  
DBA  
ALUMNI VENTURES GROUP FUNDS**

A Delaware Series Limited Liability Company

**[ATTACHED]**