# Risk Disclosures

Locke 27, LLC · Version 0.9 · Last updated October 14, 2026

Draft v0.9 pending review by counsel. Modeled on current practice among comparable private-markets platforms. Published as an interim measure so that no part of the site operates without governing terms; it will be replaced by the counsel-approved version, and members will be asked to re-accept any agreement whose terms change materially.

## Please read before investing

Investing in private funds through Locke27 involves a high degree of risk and is suitable only for investors who can afford to lose their entire investment and who have no need for liquidity in it. The offering documents of each feeder fund contain the risk factors for that fund and govern over this summary. Locke27 is not your adviser; consult your own advisers.

## Loss of capital

Private equity and other private funds can and do lose money, including all of the capital invested. Past performance of a sponsor or a prior fund does not predict the performance of any fund.

## Illiquidity

Interests in private funds are not registered under the Securities Act and cannot be freely sold. The secondary window on Locke27 is a mechanism that may allow a transfer four times a year; it is not a market, there may be no buyer, a buyer may offer less than net asset value, and a listing may not clear. You should expect to hold any investment for the life of the fund, often ten years or more.

## Capital calls and the reserve

You commit capital that is called over several years. Failing to meet a call is a default under the fund's documents and can result in interest, loss of distributions, forfeiture or forced sale of your interest at a loss. The 10% cash reserve reduces but does not remove this risk; calls can exceed the reserve, and you remain responsible for the full commitment.

## Valuation

Values shown on the Platform are based on sponsor reporting, typically a quarter or more old, adjusted for calls and distributions since. They are estimates, unaudited unless stated, may differ materially from realizable value, and may be revised.

## Feeder structure

You invest through a Locke feeder fund that holds the interest in the sponsor's fund. You rely on the feeder's documents, on Locke27 as administrator, and on the sponsor; the feeder adds a layer of expense and operational dependence, and a transfer inside the feeder does not change the sponsor's terms.

## Fees

Locke27's fees on calls, distributions and transfers, and the retained portion of cash interest, reduce your return. Sponsor management fees and carried interest apply at the fund level and are described in the fund's documents.

## Concentration, leverage and sector risk

A private fund may be concentrated in a few companies, sectors or countries and may use leverage. Smaller funds and first-time funds carry additional risk.

## Tax

Private fund investments produce complex tax consequences, including K-1 reporting, state filings, unrelated business taxable income for some investors, and timing differences between tax and cash. Consult a tax adviser.

## Cash on the Platform

Cash held on the Platform is a bank deposit held for the benefit of members and insured through an insured cash sweep within program limits, as described in the Cash Program Terms. Fund interests are not deposits and are not insured by the FDIC, SIPC or any government agency.

## Platform, cyber and operational risk

The Platform may be unavailable, may contain errors, and depends on third parties for verification, banking and document delivery. Locke27 is an early-stage company; its failure or the failure of a provider could delay or disrupt your access, transactions or records, although your fund interests are recorded in the feeder's register and do not depend on the Platform's continued operation.

## Regulatory

Locke27 is not a broker-dealer, investment adviser or exchange. Laws governing private offerings, secondary transfers and digital records of ownership may change, and a change could restrict transfers, require registration or affect the Platform's operation.