

# **ZELL CAPITAL**

Annual Report  
For the Period Ended March 31, 2022

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**Zell Capital**  
**Notes to Financial Statements**  
**March 31, 2022**

**1. Organization**

Zell Capital (the “Fund”) was organized on October 16, 2019 as a statutory trust under the laws of the state of Delaware. The Fund commenced operations on June 8, 2021. The Fund is an internally managed registered closed-end management investment company. The Fund offers a new, alternative approach to traditional venture capital fund investing to allow individual investors who do not meet the net worth or income thresholds necessary to qualify as an “accredited investor” access to investments in a fund that invests in venture capital. Because an investment company registered under the Investment Company Act of 1940, as amended (the “1940 Act”) qualifies as an accredited investor under the Securities Act, the Fund is eligible to make investments in venture stage companies. However, individuals are not required to qualify as accredited investors or QIBs to invest in the Fund. Therefore, the Fund provides retail investors access to investments in venture stage companies by pooling their investments in the Fund and using this capital to invest in venture capital, an opportunity and asset class to which these individuals typically would not have access to. This business structure is referred to as an “Access Fund” model. As an internally managed company, the Fund is managed by its executive officers under the supervision of the Board of Trustees (“Board”) and the Fund does not utilize an external investment adviser. The Fund seeks to maximize long-term total return principally by seeking capital gains in its equity investments and secondarily through ordinary income from debt and debt-like investments.

The Fund invests principally in equity securities, including common equity and preferred equity, and to a lesser extent in alternative financing strategies such as convertible debt and preferred shares in connection with revenue sharing agreements. Because most of the companies in which the Fund invests are private, early stage start-up companies that are highly speculative and whose securities are illiquid, an investment in the shares of the Fund involves substantial risk. The Fund is non-diversified for purposes of the 1940 Act.

The Board has overall responsibility for monitoring and overseeing the Fund’s operations and investment program. A majority of the Trustees are not “interested persons” (as defined by the 1940 Act) of the Fund.

**2. Significant Accounting Policies**

The following significant accounting policies are in conformity with U.S. generally accepted accounting principles (“US GAAP”). Such policies are consistently followed by the Fund in preparation of its financial statements. The Fund is an investment company in accordance with the Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) Topic 946, “Financial Services – Investment Companies,” for the purpose of financial reporting. The preparation of the financial statements in conformity with US GAAP requires estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of increases or decreases in net assets from operations during the reporting period. Actual results could differ from those estimates. The Fund’s financial statements are stated in United States dollars.

**Investment in the Fund**

The Fund offers on a continuous basis up to \$50,000,000 worth of shares of common stock (the “Shares”) at an initial offering price of \$20.00 per share for up to the first eighteen months of the offering or until the Fund has raised \$25 million, whichever is sooner. The Fund has no present intention to offer liquidity to shareholders other than in the form of distributions. Shareholders may not receive distributions or distributions may not grow over time, particularly since the Fund invests primarily in securities that do not produce current income. To the extent the Fund decides to conduct a subsequent offering, the Fund may offer to repurchase a portion of its Shares on a limited basis from shareholders. However, there can be no assurance that the Fund will decide to offer to repurchase Shares in the near term, if at all.

As of March 31, 2022, William Zell, Chief Executive Officer and Chairman of the Board, is an investor and owns 0.15% of the outstanding Shares of the Fund. As of March 31, 2022, Michelle Murcia, Chief Financial Officer of the Fund, is an investor and owns 0.31% of the outstanding Shares of the Fund. As of March 31, 2022, Zell Access Innovation, LLC, an affiliate of the Fund, is an investor and owns 1.92% of the outstanding Shares of the Fund. William Zell is the sole owner of Zell Access Innovation, LLC. Gravity Investments is a shareholder and owns 23.03% of the outstanding Shares of the Fund.

**Zell Capital**  
**Notes to Financial Statements (continued)**  
**March 31, 2022**

**2. Significant Accounting Policies (continued)**

**Portfolio Valuation**

The net asset value of the Fund is determined as of the close of business at the end of each month. In connection with each monthly closing, the Board or its delegates determines the then current net asset value of the Fund's common stock as of a time within 48 hours of the sale of the Shares, pursuant to Section 23(b) of the 1940 Act.

The Fund's portfolio investments will typically not be in publicly traded securities. As a result, although some of the equity investments may trade on private secondary marketplaces, a market value for any direct investments in portfolio companies will typically not be readily determinable. Under the 1940 Act, for investments for which there are no readily available market quotations, including securities that while listed on a private securities exchange, have not actively traded, will be valued at fair value monthly as determined in good faith by the Board based upon the recommendation of the Board's Audit Committee in accordance with the Fund's written valuation policy. In connection with that determination, members of the portfolio management team will prepare portfolio company valuations using, where available, the most recent portfolio company financial statements and forecasts. The Audit Committee utilizes the services of an independent valuation firm, at least annually, which prepares valuations for each of the portfolio investments that are not publicly traded or for which the Fund does not have readily available market quotations, including securities that while listed on a private securities exchange, have not actively traded. However, the Board retains ultimate authority as to the appropriate valuation of each such investment. The types of factors that the Audit Committee takes into account in providing its fair value recommendation to the Board with respect to such non-traded investments include, as relevant and, to the extent available, the valuation of the investment as of the portfolio company's latest funding round, the portfolio company's earnings, the markets in which the portfolio company does business, comparison to valuations of publicly traded companies, comparisons to recent sales of comparable companies, the discounted value of the cash flows of the portfolio company and other relevant factors. This information may not be available because it is difficult to obtain financial and other information with respect to private companies, and even where we are able to obtain such information, there can be no assurance that it is complete or accurate. Because such valuations are inherently uncertain and may be based on estimates, determinations of fair value may differ materially from the values that would be assessed if a readily available market for these securities existed.

**Cash and Cash Equivalents**

Cash and cash equivalents consist of cash held on deposit and short-term highly liquid investments that are readily convertible to known amounts of cash and have maturities of three months or less. Investments in money markets are recorded at fair value and are categorized as Level 1 securities as described in Note 3. As of March 31, 2022, cash equivalents consisted of investments in money market funds valued at \$44,402. Investments in money market funds are valued at net asset value.

**Income Recognition and Expenses**

The Fund recognizes income and records expenses on an accrual basis. Income, expenses, and realized and unrealized gains and losses are recorded monthly.

During the period ended March 31, 2022, a portion of expenses totaling \$637,798, were reimbursed by Zell Access Innovation, LLC, an affiliate of the Fund. The Fund will not repay Zell Access Innovation, LLC in the future. \$93,745 of the expenses reimbursed related to organizational expenses that were incurred by the Fund during a prior period.

**Organization and Offering Costs**

Organization costs are expensed as incurred. Organization costs include, among other things, the cost of organizing as a Delaware statutory trust, including legal services, directors' fees and other fees, travel-related expenses, all of which are expenses as incurred. Offering costs include registration fees and legal fees regarding the preparation of the Fund's registration statement on Form N-2 and related offering documents. Offering costs are accounted for as deferred costs until

**Zell Capital**  
**Notes to Financial Statements (continued)**  
**March 31, 2022**

**2. Significant Accounting Policies (continued)**

**Organization and Offering Costs (continued)**

Shares of the Fund are offered to the public. Offering costs are then amortized over the first twelve months of operations on a straight-line basis. The total amount of the offering costs incurred by the Fund was \$264,328. Some of the offering costs incurred were initially paid by Providence Holdings on behalf of the Fund. Offering costs paid by Providence Holdings through March 12, 2021 were \$80,999. After commencement of operations, Zell Access Innovation, LLC agreed to bear the payable to Providence Holdings for \$80,999, as well as reimburse the Fund for any remaining offering costs. Such amounts are included in the Expenses Reimbursed on the Statement of Operations. The Fund is not obligated to repay the offering costs paid by Zell Access Innovation, LLC.

**Income Taxes**

The Fund intends to qualify as a “regulated investment company” under Sub-chapter M of the Internal Revenue Code of 1986, as amended, and in conformity with the Regulated Investment Company Modernization Act of 2010. The Fund will not be subject to federal income tax to the extent the Fund satisfies the requirements under Section 851 of the Internal Revenue Code, including distributing substantially all of its investment company taxable income and any net realized capital gains to its shareholders based on the Fund’s fiscal year end of March 31.

In order to avoid imposition of the excise tax on undistributed income applicable to regulated investment companies, the Fund intends to declare each year as dividends in each calendar year at least 98.0% of its net investment income (earned during the calendar year) and 98.2% of its net realized capital gains (earned during the twelve months ended October 31) plus undistributed amounts, if any, from prior years.

The Fund evaluates tax positions taken or expected to be taken in the course of preparing the Fund’s tax returns to determine whether it is “more-likely-than-not” (i.e., greater than 50-percent) that each tax position will be sustained upon examination by a taxing authority based on the technical merits of the position. Tax positions not deemed to meet the more-likely-than-not threshold are recorded as a tax benefit or expense in the current year. The Fund did not record any tax provision in the current period. However, management’s conclusions regarding tax positions taken may be subject to review and adjustment at a later date based on factors including, but not limited to, examination by tax authorities on-going analysis of and changes to tax laws, regulations and interpretations thereof. If applicable, the Fund recognizes interest accrued related to unrecognized tax benefits in interest expense and penalties in other expenses in the Statement of Operations.

The Fund files tax returns with the U.S. Internal Revenue Service and Delaware. The Fund may be subject to taxes imposed by countries which it invests. Such taxes are generally based on income earned or gains realized or repatriated. Taxes are accrued and applied to net investment income, net realized capital gains and net realized appreciation, as applicable, as the income is earned or capital gains are recorded. Generally, open tax years under potential examination vary by jurisdiction, but at least each of the tax years in the period from June 8, 2021 (commencement of operations) to December 31, 2021 remain subject to examination by major taxing authorities.

As of March 31, 2022, the cost and related gross unrealized appreciation and depreciation for tax purposes were as follows:

Cost of investments for tax purposes	\$ 325,522
Gross tax unrealized appreciation	—
Gross tax unrealized depreciation	—
Net tax unrealized appreciation/depreciation on investments	<u>\$ —</u>

**Zell Capital**  
**Notes to Financial Statements (continued)**  
**March 31, 2022**

**2. Significant Accounting Policies (continued)**

**Income Taxes (continued)**

At March 31, 2022, the components of distributable earnings for the Fund on a tax basis were as follows:

Undistributed ordinary income	\$ -
Undistributed long-term capital gains	-
Total undistributed income and gains	-
Net unrealized appreciation/depreciation	-
Late Year Ordinary Loss Deferral	(50,699)
Other Book/Tax differences	(83,433)
Total accumulated gain/(loss)	\$ (134,132)

There are no difference between book-basis unrealized appreciation/depreciation (as shown in the Statement of Assets and Liabilities) and tax-basis unrealized appreciation/depreciation (as shown above) as of March 31, 2022.

The permanent differences resulting in reclassifications among the Fund’s components of net assets for the period ended March 31, 2022 are primarily related to non-deductible travel and entertainment expenses and net operating losses.

**Distribution of Income and Gains**

The timing and amount of distributions, if any, will be determined by the Board. Any distributions to shareholders will be declared out of assets legally available for distribution. As the strategy is to maximize long-term total return principally by seeking capital gains, it is not anticipated that the Fund will pay distributions on a quarterly basis or become a predictable distributor of distributions. The Fund intends to distribute substantially all of its capital gains and net income on an annual basis. The specific tax characteristics of any distributions will be reported to shareholders after the end of each calendar year.

The Fund has adopted a dividend reinvestment plan established by the Fund (the “DRIP”), pursuant to which each Shareholder whose Shares are registered in its own name will automatically be a participant under the DRIP and have all income, dividends, and capital gains distributions automatically reinvested in additional Shares unless such Shareholder specifically elected to receive all income, dividends, and capital gain distributions in cash. No action is required on the part of a shareholder to reinvest dividends and/or capital gain distributions in shares of the Fund. A shareholder may elect to receive dividends and/or capital gain distributions in cash by notifying the transfer agent in writing or by calling so that such notice is received no later than 10 days prior to the record date for distributions to investors. The transfer agent will, instead of crediting shares to the shareholder’s account, pay by an ACH (Automatic Clearing House) debit of your bank account of record or check mailed directly to the shareholder.

**Indemnifications**

Under the Fund’s Declaration of Trust, the Fund has agreed to indemnify, to the fullest extent authorized by the relevant portions of Delaware law, any person who was or is involved in any actual or threatened action, suit, or proceeding (whether civil, criminal, administrative or investigative) by reason of the fact that such person is or was one of our trustees or officers or is or was serving at our request as a trustee or officer of another corporation, partnership, limited liability company, joint venture, trust or other enterprise, including service with respect to an employee benefit plan, against expenses (including attorney’s fees), judgments, fines and amounts paid or to be paid in settlement actually and reasonably incurred by such person in connection with such action, suit, or proceeding, except in cases in which the indemnitee did not act in good faith with the reasonable belief that his or her conduct was in, or not opposed to, the best interest of the Fund or the indemnitee’s conduct constituted gross negligence, bad faith, reckless disregard, or willful misconduct.



**Zell Capital**  
**Notes to Financial Statements (continued)**  
**March 31, 2022**

**2. Significant Accounting Policies (continued)**

**Indemnifications (continued)**

In the normal course of business, the Fund enters into contracts that contain a variety of representations and that provide general indemnifications. The Fund's maximum liability exposure under these arrangements is unknown, as future claims that have not yet occurred may be made against the Fund. However, management expects the risk of loss to be remote.

**3. Fair Value of Investments**

Investments are carried at fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Board will determine the fair value of investments on at least a monthly basis and at such other times when it feels it would be appropriate to do so given the circumstances. A determination of fair value involves subjective judgments and estimates and depends on the facts and circumstances present at each valuation date. Due to the inherent uncertainty of determining fair value of portfolio investments that do not have a readily available market value, fair value of investments may differ significantly from the values that would have been used had a readily available market value existed for such investments, and the differences could be material.

The Fund values investments in accordance with U.S. GAAP and fair values its investment portfolio in accordance with the provisions of the FASB ASC Topic 820 Fair Value Measurements and Disclosures, which defines fair value, establishes a framework for measuring fair value and requires enhanced disclosures about fair value measurements. The Fund uses a three-tier hierarchy to distinguish between (a) inputs that reflect the assumptions market participants would use in pricing an asset or liability developed based on market data obtained from sources independent of the reporting entity (observable inputs) and (b) inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing an asset or liability developed based on the best information available in the circumstances (unobservable inputs) and to establish classification of fair value measurements for disclosure purposes. Various inputs are used in determining the fair value of the Fund's investments.

During the early stages of a venture stage company's existence, traditional valuation methods (e.g., discounted cash flow) are often a less reliable tool for valuing investments. As such, until the Fund's portfolio companies grow to a point where traditional valuation methods apply, the Fund will value its investments based on how they progress through capital raising cycles. The valuation of the Fund's portfolio companies will typically be adjusted when a new valuation is set by the lead investor in the next funding round. As such, the Fund also intends to adjust the valuation of its portfolio companies with each new funding round, which is the generally accepted methodology for the valuation of venture stage companies like the ones the Fund intends to invest in. However, while the valuation as of the latest funding round is a prominent factor in the Fund's valuation process, it is not the only factor that the Fund will consider when valuing its portfolio investments. At the outset of each investment in a portfolio company, the Fund will also establish upper bound and lower bound thresholds that could trigger a re-valuation of the portfolio company. Such upper and lower bound thresholds typically represent fundamental changes in the value of the portfolio company that would affect the anticipated return on the Fund's investment. An upper bound threshold could include an unexpected business or technology breakthrough or faster than anticipated revenue growth. Alternatively, a lower bound threshold could include a fundamental failure of the technology, the loss of a key customer or the success of a competitor in the same industry. If a portfolio company breaches one of these upper or lower bound thresholds, the Fund will re-value the underlying investment and adjust the Fund's net asset value and, if necessary, the Fund's initial offering price of \$20.00 per share (if such re-valuation occurs during the initial offering period).

For companies that are past the venture stage, valuation methods utilized include, but are not limited to the following: comparisons to prices from secondary market transactions; public offerings; and purchase or sales transactions; as well as analysis of financial ratios and valuation metrics of the portfolio companies that issued such private equity securities to peer companies that are public, analysis of the portfolio companies' most recent financial statements and forecasts, and the markets in which the portfolio company does business, and other relevant factors. The Fund assigns a weighting based upon the relevance of each method to determine the fair value of each investment.

**Zell Capital**  
**Notes to Financial Statements (continued)**  
**March 31, 2022**

**3. Fair Value of Investments (continued)**

At least annually, a nationally recognized independent third-party valuation firm will conduct independent appraisals and review management's preliminary valuations and make its own independent assessment, for each investment for which there is no readily available market quotation.

The inputs are summarized in the three broad levels listed below:

- Level 1 – quoted prices in active markets for identical investments
- Level 2 – quoted prices for similar investments in active markets; quoted prices for identical or similar investments in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data
- Level 3 – significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments) that reflect the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk, developed based on the best information available in the circumstances

The inputs or methodology used for valuing investments are not necessarily an indication of the risk associated with investing in those investments.

The following is a summary of the inputs used as of March 31, 2022 in valuing the Fund's investments carried at fair value:

<b>Investments at Value</b>	<b>Valuation Inputs</b>			<b>Total</b>
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	
SAFE Notes	\$ -	\$ -	\$ 255,000	\$ 255,000
Private Equity			26,120	26,120
Money Markets	44,402	-	-	44,402
<b>Total</b>	<b>\$ 44,402</b>	<b>\$ -</b>	<b>\$ 281,120</b>	<b>\$ 325,522</b>

The following is a reconciliation of Level 3 investments for period ended March 31, 2022:

	<u><b>Private Notes</b></u>
<b>Beginning Balance – June 8, 2021</b>	\$ -
Purchases	281,120
Sales	-
Transfers in/(out) of Level 3	
Realized gains (losses), net	-
Change in unrealized appreciation/depreciation	-
<b>Ending Balance – March 31, 2022</b>	<b>\$ 281,120</b>
Change in unrealized appreciation/depreciation on investments still held as of March 31, 2022	\$ -

The following is a summary of quantitative information about significant unobservable valuation inputs for Level 3 investments held as of March 31, 2022:

**Zell Capital**  
**Notes to Financial Statements (continued)**  
**March 31, 2022**

**3. Fair Value of Investments (continued)**

Type of Investment	Fair Value as of March 31, 2022	Valuation Technique	Unobservable Inputs	Range of Inputs (Weighted Average)
Noether Rudin, Inc. DBA DOLR	\$100,000	Market Approach <sup>(a)</sup>	Discount Rate	15.5%
Studium	135,000	Market Approach <sup>(a)</sup>	Discount Rate	14.0%
GRID	10,000	Market Approach	Transaction Price	\$10,000
Veritus Capital TK SPV, LLC	<u>26,120</u>	Market Approach	Transaction Price	\$26,120
<b>Total</b>	<b>\$281,120</b>			

(a) Valued using the Probability-Weighted Expected Return Method (PWERM).

The significant unobservable input used in the fair value measurements above is the transaction price, and the assumption that performance of the investments has not caused additional adjustment to that transaction price. A change in assumption used in any of the unobservable inputs in isolation may significantly impact the fair value measurement. Due to the inherent uncertainty of determining the fair value of investments that do not have observable inputs, the fair value of the Fund's investments may fluctuate from period to period.

For the period ended March 31, 2022, aggregated purchases and proceeds from the sales of long term investments were \$281,120 and \$0, respectively.

**4. Related Party Transactions and Agreements**

*Administrator*

U.S. Bancorp Fund Services, LLC, d/b/a US Bank Global Fund Services (the "Administrator"), serves as administrator to the Fund. Under the Administration Agreement by and among the Fund and the Administrator, the Administrator maintains the Fund's general ledger and is responsible for calculating the net asset value of the Common Shares, and generally managing the administrative affairs of the Fund. Under an administrative services agreement, USBFS is paid an administrative fee, computed and payable monthly at an annual rate based on the aggregate monthly total assets of the Fund.

*Custodian, Dividend Paying Agent, Transfer Agent and Registrar*

U.S. Bancorp Fund Services, LLC, d/b/a US Bank Global Fund Services serves as the Fund's dividend paying agent, transfer agent and registrar. Under a transfer agency services agreement, USBFS is paid an administrative fee, computed and payable monthly at an annual rate based on the transactions processed.

U.S. Bank National Association ("USB N.A.") serves as the custodian to the Fund. Under a custody services agreement, USB N.A. is paid a custody fee monthly based on the average daily market value of any securities and cash held in the portfolio.

*Related Party Transactions*

During the period ended March 31, 2022, a portion of expenses totaling \$637,798, were reimbursed by Zell Access Innovation, LLC, an affiliate of the Fund. The Fund will not repay any of these expenses.

During the period ended March 31, 2022, Zell Access Innovation, LLC, an affiliate of the Fund, provided cash of \$150,000 to the Fund. As of March 31, 2022, \$150,000 was due to the affiliate, as presented on the Statement of Assets and Liabilities.

**Zell Capital**  
**Notes to Financial Statements (continued)**  
**March 31, 2022**

**5. Commitments**

The Fund has future non-binding commitments to fund additional capital into underlying companies. The remaining commitment at March 31, 2022 is \$255,000.

**6. Market Risk**

Certain impacts to public health conditions particular to the coronavirus (COVID-19) outbreak could impact the operations and financial performance of certain of the Fund's investments. The extent of the impact to the financial performance of the Fund's investments will depend on future developments, including, (i) the duration and spread of the outbreak, (ii) the restrictions and advisories, (iii) the effects on the financial markets, and (iv) the effects on the economy overall, all of which are highly uncertain and cannot be predicted. If the financial performance of the Fund's investments is impacted because of these factors for an extended period, the Fund's investment results may be adversely affected.

The Fund is subject to concentration of investment risk to the extent that the portfolio is heavily invested, at any particular time, in specific asset types, classes, industries, sectors or collateral types, among other defining features. Developments and the market's perception thereof in any of these concentrations may exacerbate the negative effects on the Fund's investment portfolio compared to other companies.

The Fund has invested and may continue to invest the net proceeds from its continuous offering in Simple Agreements for Future Equity (SAFEs). Although SAFEs convert into equity in the event of a future equity financing or liquidity event, there is a chance they will never convert to equity, and the Fund may lose all or a part of its investment. Additionally, SAFEs often lack additional protections for investors, such as accruing interest on the principal initially invested, a maturity date upon which the note becomes due and repayable (in cash or conversion), and an ability to have the investment secured and registered against assets of the company. SAFEs are also not freely transferable and there is not now, and likely will not be, a public market for the SAFEs. Because the SAFEs have not been registered under the 1933 Act or under the securities laws of any state or non-United States jurisdiction, the SAFEs have transfer restrictions under Rule 501 of Regulation CF. It is not currently contemplated that registration under the Securities Act of 1933 or other securities laws will be affected. As such, the Fund will have limited liquidity with respect to its investments in SAFEs. Limitations on the transfer of the SAFE may also adversely affect the price that the Fund might be able to obtain for the SAFE in a private sale. The Fund's investments in SAFEs are highly speculative, and the Fund may lose all or part of its investment in such SAFEs. As of March 31, 2022, the Fund had invested 65% of its net assets in SAFE Notes.

**7. Subsequent Events**

Unless otherwise stated throughout the Notes to the Financial Statements, the Fund noted no additional subsequent events that require disclosure in or adjustment to the Financial Statements.

**Zell Capital**  
**Additional Information (Unaudited)**  
**March 31, 2022**

**Proxy Voting Policies and Procedures and Proxy Voting Record**

If applicable, a copy of (1) the Fund's policies and procedures with respect to the voting of proxies relating to the Fund's investments; and (2) how the Fund voted proxies relating to Fund investments during the most recent period ended June 30, is available without charge, on the Securities and Exchange Commission's website at <http://www.sec.gov>.

**Quarterly Portfolio Schedule**

The Fund also files a complete schedule of portfolio holdings with the Securities and Exchange Commission for the Fund's first and third fiscal quarters on Form N-PORT. The Fund's Form N-PORT are available on the Securities and Exchange Commission's website at <http://www.sec.gov>.

# **Zell Capital**

## **Privacy Policy (Unaudited)**

### **March 31, 2022**

We appreciate your business and the trust you have placed in us. Our privacy philosophy reflects the value of your trust. We are committed to protecting the personal data we obtain about you. On behalf of Zell Capital, we make the following assurance of your privacy.

#### **Not Using Your Personal Data for our Financial Gain**

Zell Capital has never sold shareholder information to any other party, nor have we disclosed such data to any other organization, except as permitted by law. We have no plans to do so in the future. We will notify you prior to making any change in this policy.

#### **How We Do Use Your Personal and Financial Data**

We use your information primarily to complete your investment transactions. We may also use it to communicate with you about other financial products that we offer.

#### **The Information We Collect About You**

You typically provide personal information when you complete a Zell Capital account application or when you request a transaction that involves Zell Capital, either directly or through a brokerage firm. This information may include your:

- Name, address and phone numbers
- Social security or taxpayer identification number
- Birth date and beneficiary information (for IRA applications)
- Basic trust document information (for trusts only)
- Account balance
- Investment activity

#### **How We Protect Your Personal Information**

As emphasized above, we do not sell information about current or former shareholders or their accounts to third parties. We occasionally share such information to the extent permitted by law to complete transactions at your request, or to make you aware of related financial products that we offer. Here are the details:

- To complete certain transactions or account changes that you direct, it may be necessary to provide identifying information to companies, individuals, or groups that are not affiliated with Zell Capital. For example, if you ask to transfer assets from another financial institution to Zell Capital, we will need to provide certain information about you to that company to complete the transaction.
- In certain instances, we may contract with non-affiliated companies to perform services for us, such as processing orders for share purchases and repurchases and distribution of shareholder letters. Where necessary, we will disclose information about you to these third parties. In all such cases, we provide the third party with only the information necessary to carry out its assigned responsibilities (in the case of shareholder letters, only your name and address) and only for that purpose. We require these third parties to treat your private information with the same high degree of confidentiality that we do.
- Finally, we will release information about you if you direct us to do so, if we are compelled by law to do so, or in other legally limited circumstances (for example, to protect your account from fraud).

#### **How We Safeguard Your Personal Information**

We restrict access to your information to those Zell Capital representatives who need to know the information to provide products or services to you. We maintain physical, electronic, and procedural safeguards to protect your personal information.

**Zell Capital**  
**Privacy Policy (Unaudited) (continued)**  
**March 31, 2022**

**Purchasing Shares of the Fund through Brokerage Firms**

Zell Capital shareholders may purchase their shares through brokerage firms. Please contact those firms for their own policies with respect to privacy issues.

**What You Can Do**

For your protection, we recommend that you do not provide your account information, user name, or password to anyone except a Zell Capital representative as appropriate for a transaction or to set up an account. If you become aware of any suspicious activity relating to your account, please contact us immediately.

**We'll Keep You Informed**

If we change our privacy policy with regard to disclosing your confidential information, we are required by law to notify you and provide you with a revised notice. You can access our privacy policy from our website.

**Zell Capital**  
**Trustees and Officers (Unaudited)**  
**March 31, 2022**

Our Board oversees our management. The Board consists of three members who will each serve for an indefinite term. Two members of the Board are not “interested persons” of the Company within the meaning of Section 2(a)(19) of the 1940 Act. We refer to these individuals as our “independent trustees.” Our Board elects our officers, who serve at the discretion of the Board. The responsibilities of each trustee will include, among other things, the oversight of our investment activity, the monthly valuation of our assets, and oversight of our financing arrangements. The Board has also established an Audit Committee and may establish additional committees in the future.

<u>Name</u>	<u>Age</u>	<u>Position</u>	<u>Trustee Since</u>	<u>Principal Occupation(s) During Past Five Years</u>
<b>Interested Trustees</b>				
William L. Zell	38	Chief Executive Officer	2019	Founder and CEO of Zell Capital (2019-current); Founder of LFH Properties & Investments, LLC, a real-estate investment company (2006-current); co-founder of technology company Nikola Labs (2014-current)
<b>Independent Trustees</b>				
R. Jeffrey Young	57	Trustee	2020	Executive Vice President, Head of Investment Products, Mutual of America Capital Management (May 2022-Current); Senior Director, Product Manager, FIS (2017-2022); Vice President, Director of Client Services, Ultimus Fund Solutions, LLC (2016-2017)
Lindsay Karas Stencel	39	Trustee	2020	Partner at Thompson Hine LLP (2020-Current); Chief Operating Officer and Chief Investment Officer at Launch New York, Inc. (2016-2020)

The address for each trustee is 175 S. Third, Suite 200, Columbus, Ohio 43215.

***Executive Officers Who Are Not Trustees***

<u>Name</u>	<u>Age</u>	<u>Position</u>	<u>Principal Occupation(s) During Past Five Years</u>
Michelle Murcia	54	Chief Financial Officer and Treasurer	Book+Street (2015-current)
Roger Pries	56	Chief Compliance Officer	Foreside Fund Services, LLC (2019-current); Compliance Officer at Citi Fund Services (2016-2019)



**Zell Capital**  
**Trustees and Officers (Unaudited) (continued)**  
**March 31, 2022**

**Interested Trustees**

*William L. Zell* is the founder of the Company and has served as our Chief Executive Officer and Chair of our Board since 2019 and is primarily responsible for overall investment strategies and portfolio management. Mr. Zell founded his first company, LFH Properties & Investments, LLC in 2006, focused on real estate investing in his hometown near Columbus, Ohio. Mr. Zell has also co-founded three technology companies: Huddlewoo in 2012, ConnectToHome in 2013, and Nikola Labs in 2014. He currently serves as Co-Chief Executive Officer of Nikola Labs and has led the company through commercialization, raising over \$14 million of venture capital, while growing the team to more than 30 employees. Mr. Zell was recognized as an Executive of the Year in 2019 by Columbus Business First and was nationally recognized by the White House as an Impact 100 Honoree in 2011, a recognition for the most promising entrepreneurs under age 30. Mr. Zell attended The Ohio State University. Mr. Zell's depth of experience in managerial positions in technology-based start-ups, as well as his intimate knowledge of our business and operations, gives the Board valuable industry-specific knowledge and expertise on these and other matters.

**Independent Trustees**

*Lindsay Karas Stencel* has nearly 15 years of experience in venture capital. Ms. Stencel is currently a partner at Thompson Hine LLP running the Venture Capital and Emerging Companies group in Columbus, Ohio, where she focuses on growing venture capital, and increasing capital access generally, for entrepreneurs throughout the Midwest. Prior to joining Thompson Hine, Ms. Stencel served as the Chief Operating Officer, and subsequently Chief Investment Officer, at Launch New York, Inc., a venture development organization that works to provide mentorship and funding to seed stage businesses. Prior to joining Launch New York, Inc., Ms. Stencel served as a partner and Chief Legal Counsel at a Midwest-focused venture capital firm that invests in pre-seed, seed early stage and growth stage technology companies. Simultaneously, Ms. Stencel ran her own private practice representing emerging and diverse venture fund managers across the country, startup clients and founders, investors, and small businesses, assisting with venture fund formation and strategic deal formation, deal structuring and other corporate legal matters. Ms. Stencel has a B.A. from Canisius College, a M.B.A. from The Ohio State University and a J.D. from The Ohio State University Michael E. Moritz College of Law. Ms. Stencel's experience in venture capital stage investing provides the Board with expertise that is highly relevant and valuable.

*R. Jeffrey Young* is a seasoned executive in financial services, including client services, product development, sales, and operations. Mr. Young is an Enterprise Strategist working in Asset Management Solutions for FIS, where he is responsible for a variety of product initiatives linked to asset management solutions, including fund accounting and transfer agency services, as well as supporting business development teams and transfer agency clients. Previously, Mr. Young served as Vice President, Director of Relationship Management of Ultimus Fund Solutions, LLC. Prior to the acquisition of Huntington Asset Services by Ultimus Fund Solutions, he served as President of both Huntington Asset Services, Inc. and its affiliated broker-dealer, Unified Financial Securities, Inc., where he was responsible for the company's fund administration, distribution and institutional custody businesses. He has also served as the Chairman of the Board of Huntington Asset Services' Valued Advisers Trust since its inception in 2008 and as Chairman of the Board of the Capitol Series Trust since its inception in 2013. Additionally, he serves as the Chief Executive Officer for the Valued Advisers Trust. Mr. Young has significant experience in mutual fund board governance, operations and administration, investment management operations, organizational design, marketing, and product development. Mr. Young has a Bachelor of Business Administration and Master of Business Administration degrees from Ohio University. Mr. Young's experience in fund management and operations provides the Board with expertise that is highly relevant and valuable.

**Executive Officers**

*Michelle Murcia* has more than 25 years of finance, accounting, administration, and investment experience in publicly traded, privately held and not-for-profit corporations, including start-ups and billion-dollar enterprises. Ms. Murcia currently serves as the Company's Chief Financial Officer pursuant to an agreement between the Company and Book+Street. Ms. Murcia has served as a C-level consultant to early-stage start-up companies since 2013 providing strategic financial services as their contract Chief Financial Officer, advising on a number of complex financial transactions, and to an investment advisory firm as Venture Partner, supporting the investment process for series B, C and later stage syndicated venture transactions, including due diligence, financial modeling, investment document preparation and portfolio reporting. Ms. Murcia is a Certified Public Accountant, Certified Equity Professional and received her B.S. from California State University, San Marcos, and M.B.A. from The Ohio State University.

**Zell Capital**  
**Trustees and Officers (Unaudited) (continued)**  
**March 31, 2022**

**Executive Officers (continued)**

*Roger Pries* has more than 25 years of experience in the financial services industry. Mr. Pries currently serves as the Company's Chief Compliance Officer pursuant to an agreement between the Company and Foreside Fund Services, LLC ("Foreside"). Prior to joining Foreside, Mr. Pries served as a Compliance Officer at Citi Fund Services from 2016 to 2019. Mr. Pries also served as an Ops Risk Officer at Citi Fund Services from 2007 to 2016. Mr. Pries received his B.A. from Kent State University.