Investor Participation: Fund Structure & Reporting

INVESTOR INSIGHTS | OPERATIONS & GOVERNANCE

The Investment Vehicle

Investors participate through a Charge Capital–structured fund (LLC) alongside other investors. In return, they receive equity ownership in companies that develop and operate BESS projects. The LLC holds stock in a Qualified Small Business (QSB), which in turn owns and operates the projects.

What You Own

Your investment in the LLC provides equity linked to the performance of the underlying QSB. This structure ensures professional management, strong governance, and clear reporting.

Cash Flow & Payouts

- **Distributions**: Antipicated quarterly or semi-annually, sourced from project cash flow when available.
- **Reporting**: Investors receive quarterly financial and project-level reports.

How Tax and Federal Incentives Drive Returns

Federal incentives such as the Investment Tax Credit (ITC), bonus depreciation, and state-level rebates are realized at the QSB level. These incentives reduce project costs and improve QSB profitability, which in turn flows upward as stronger overall returns for investors.

It's important to clarify: investors do not personally claim ITC or depreciation on their tax filings. Instead, the only direct tax benefit investors may receive is the capital gains exemption under the QSBS program. If the investment is held for at least five years, gains realized upon exit may be entirely exempt from federal capital gains tax — a potentially transformative advantage.

Minimums & Investor Support

- Minimum investment requirements apply; details are handled by your investor relations specialist.
- Charge Capital's Investor Relations team provides dedicated reporting and support