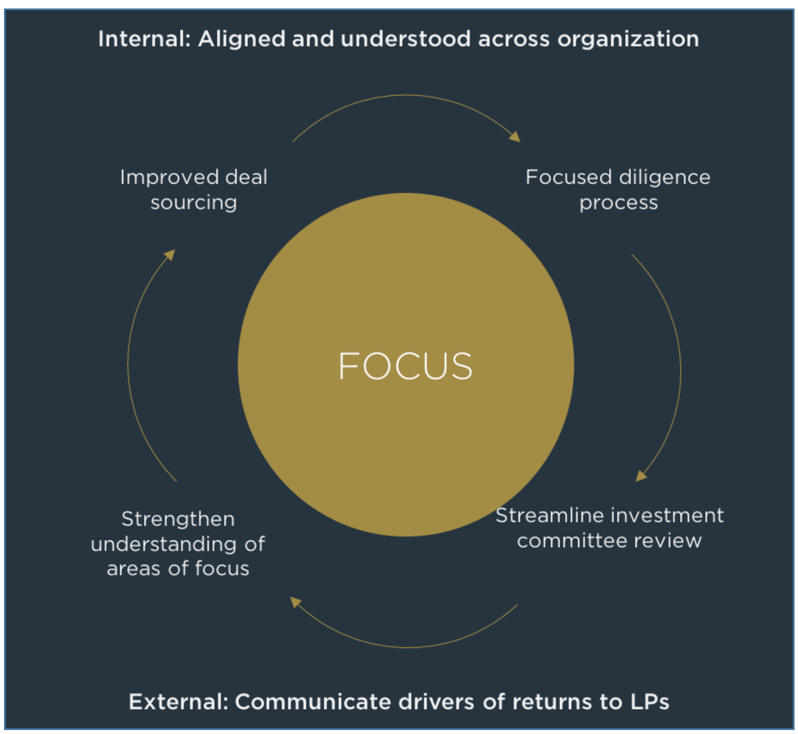
Introduction to Strategy Report & The Thematic Lens:

As part of the recently implemented growth strategy at 3 Rivers Capital (3RC), we have invested in tangible tools and intellectual capital to assist in improving investor communications. This improved communication will take several forms including quarterly performance reports, new deal diligence reports and greater investor insights into 3RC's investment strategy. This monthly report will commence our effort to provide additional transparency in the development and implementation of our thematic investment approach and strategy. By providing an increased level of transparency to our valued investors, we hope they will gain a better understanding of our approach and the acquisition opportunities that will arise in the future.

3RC's investment strategy is to target small companies with EBITDA between $3 to $10 million. In addition, we target companies in which we believe there is an opportunity for us to improve current owner dynamics, which have created common barriers to growth. We believe by improving owner dynamics, this presents an opportunity to add significant value to a company. Also, by focusing on the small market, where there are greater capital and operational inefficiencies, we have identified a very large opportunity set in which to consider. Because we understand our limits and strengths, our strategy was designed to focus our efforts on opportunities that we feel will lead to the most favorable results while helping us limit resource inefficiencies that result from pursuing unfavorable investments.

3RC's Thematic Lens was developed by identifying the major factors of influence that the U.S. and global markets will be subjected to in the foreseeable future. We then studied (and continue to study) the major factors of influence to identify what manifestations arise in particular segments of the market. Once a particular manifestation or set of manifestations are identified, it generally leads us to particular areas of focus. This process enables us to create a more defined set of deal credentials, representing attributes that we find attractive.



A bi-product of this work is that 3RC's continued concentration on these areas of focus results in a greater level of understanding of the opportunities in these areas well before we start our deal-specific evaluation process. Pre-identifying the most relevant risk factors, potential growth opportunities and developing a network of industry experts and operators provides us an advantage in both sourcing and diligence. We find this particularly impactful in the bidding process, where we can articulate to the target company's management team that, as owners, the business will be in the control of people with a level of expertise that allows them to know that they are in good hands.

The Thematic Structure & What is to Come:

In this first publication, we look to summarize 3RC's current major factors of influence that will guide our deal sourcing, portfolio company operations, and investment decisions.

We do not attempt to make predictions on outcomes, but rather acknowledge the most influential factors, and what investment opportunities will likely manifest. While 3RC has always considered itself opportunistic in its investment approach, we consider ourselves selectively opportunistic based on macro-economic and geo-political conditions that we see can create the most value for our investors.

We hope you find this kick-off report informative as it sets the tone for follow up reports in the months to follow. In each of the following four publications, we will dive into the details of each of the four major factors of influence. Then, the next four publications will focus on the manifestations that may occur due to the major factors of influence. We will conclude with four additional reports that share our thoughts on current areas of interest.

The following illustration below highlights the structure of our thematic lens and what we see as the major factors of influence and our initial thoughts on what is likely to manifest due to those factors. While we have elected to not share our current areas of interest at this time, we can assure you that we have already pre-identified specific areas that will drive outbound sourcing efforts in the coming months.

We welcome feedback and input from our investors, as many successful private equity managers often leverage the networks and knowledge base of its investors to improve deal sourcing, diligence and operations. We hope that this ongoing communications from us will help to facilitate greater transparency in our mission and to provide you the opportunity to have an active role in the investment process.

Factors Of Influence			
Escalating Conflict Globally	Lower Energy Prices	Shifting Demographics	The Modernization of Things

Manifestations			
• Increased defense spending • Increased spending on security	• Decreased manufacturing input costs • Increased consumer spending	• Changes in consumer preferences • Greater focus on health and wellness	• Improved efficiencies and capabilities • Customization of products and services

Current Areas of Interest			
• Aerospace and defense • Specialty materials • Lighting /Security products • Security/Surveillance systems • Home/Business security	• Manufacturing • Transportation and logistics • Business and consumer products • Energy storage • Low cost energy service assets	• Healthcare services and equipment • Travel and leisure • Home furnishings and improvement • Hospitality services • Food and beverage	• Infrastructure • Advanced/Lightweight materials • Industrial automation • Technology support products • Robotics/Drones