

PRINCIPAL FEATURES*
OF
CORSAIRES HIGH INCOME VALUE EQUITIES, LLC

(A Private Investment Fund)



UNITS OF INVESTING MEMBERSHIP INTEREST

*This term sheet is a summary of the principal terms and conditions for investment in the Units of Investing Membership Interest (the “Units”) of *CORSAIRES HIGH INCOME VALUE EQUITIES, LLC* (“we”, “our”, “us”, or “the Fund”). The terms and conditions set forth hereafter are qualified in their entirety by their more thorough treatment in the Memorandum which contains more complete information including risk factors. This term sheet does not constitute an offer or solicitation in any jurisdiction in which such an offer or solicitation is not permitted under applicable law or to any person or entity who is not an “accredited investor” as defined under Rule 501(a) of the U.S. Securities Act of 1933, as amended, or who does not possess the necessary qualifications described in the Memorandum and/or Rule 506(c) under Regulation D of the U.S. Securities Act of 1933, as amended. Please read the Memorandum.

Our Objectives

CORSAIRES HIGH INCOME VALUE EQUITIES, LLC, a Wisconsin limited liability company (“we”, “our”, “us”, or the “Fund”), is a private investment company formed to invest and trade in securities (the “Investment(s)”). Our investment objective is to maximize total return through a combination of dividend income and capital gains. Our overall objective is to realize cash flow and/or capital appreciation in connection with our Investments. To achieve our Investment objective, we seek to continuously grow the Fund’s dividend income through actively trading a portfolio of securities with the aim of progressively reducing cost basis and thereby improving the Fund’s carrying dividend yield. We expect to invest primarily in real estate investment trusts (REITs) and other securities of companies that are principally engaged in the real estate industry or which own significant real estate assets or real estate mutual funds; however, we will not purchase direct interests in real estate. In pursuit of these objectives, the Fund may also invest in other industries and economic sectors through the buying and selling of common and/or preferred stocks, investment company shares, and U.S. government, corporate, and municipal debt instruments. The Fund may purchase both debt

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OFFERING MEMORANDUM

	<p>and equity securities, with a focus on issues trading below their net asset values, a discount to book value, or a discount relative to their market peers. Where feasible, the Fund intends to sell or sell short issues perceived to be trading at premiums to their net asset values or premiums relative to their market peers. We may also utilize leverage to achieve our objectives. There can be no assurance these objectives will be achieved. (See “Risk Factors”).</p>
The Offering	<p>We are offering for sale – to accredited investors only – up to 3,000,000 Units of Investing Membership Interest (the “Units”) at an Initial Subscription Price of \$10.00 per Unit, aggregating \$30,000,000. Thereafter, the Unit Subscription Price will equal the Net Asset Value (NAV) of the Unit which may be higher or lower than the initial Subscription Price.</p> <p>The minimum investment by an investor is \$100,000 (10,000 Units at the Initial Subscription Price), although the Fund reserves the right to accept lesser amounts from qualified persons.</p>
Structure / Capitalization	<p><i>Corsaires High Income Value Equities, LLC</i>, is a limited liability company formed under the laws of the State of Wisconsin. Our Operating Agreement provides for the issuance of Units of Investing Membership Interest to capitalize the Fund.</p>
Term	<p>The Fund will terminate on or before June 30, 2026 (the “Original Termination Date”) unless extended for up to three (3) additional thirty-six (36) month periods by a vote to continue the Fund by a majority of the Investing Member Units outstanding and the consent of our Managing Member. If the term of the Fund is extended, those Investing Members voting against continuation may exit from the Fund at the Unit NAV as of the Original Termination Date. If the term of the Fund is extended for a second period of thirty-six months, those Investing Members voting against continuation for the second period may exit from the Fund at the Unit NAV as of the first extended termination date, June 30, 2029. If the term of the Fund is extended for a third period of thirty-six months, those Investing Members voting against continuation for the third period may exit from the Fund at the Unit NAV as of the first extended termination date, June 30, 2032.</p>
8% Priority Return	<p>100% of any cash distributions will be paid to Investing Members until such time as Investing Members have received distributions equal to 8% per annum (calculated on a simple interest basis) on their Capital Contribution (the “Priority Return”). Thereafter, any excess cash distributions will be allocated 75% to Investing Members and 25% to the Managing Member.</p>
Management	<p>We will be managed by our Managing Member, 2nd Market Capital Services Corporation, a Wisconsin corporation controlled and managed by Ross T. Bowler (See “Key Personnel”). The Fund will engage the investment advisory services of 2nd Market Capital Advisory Corporation (the “Investment Advisor”), a registered investment advisor controlled and managed by Ross T. Bowler (See “Conflicts of Interest”, “Material Agreements”, and “Management”).</p>
Compensation	<p>Our Managing Member shall be paid an annual “Administrative Management Fee” of \$10,000 which shall be payable on a quarterly basis in an amount equal to one-fourth (1/4) of the annual Administrative Management Fee (i.e., \$2,500 per calendar quarter) and shall be payable by deduction from the Fund’s assets on or after the last business day of each calendar quarter.</p> <p>The Investment Advisor will receive an annual “Advisory Fee” equal to 2.00% of assets under management each year which shall be payable quarterly in an amount equal to 0.50% of the Fund’s aggregate Net Asset Value at the close of business on the last business day of each calendar quarter and shall be payable by deduction from the Fund’s assets on or after such date.</p>

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	<p>The Administrative Management Fee and the Advisory Fee shall each be pro-rated for that portion of the initial quarter of Fund's operations.</p>
Distributions	<p>Our Operating Agreement permits distributions of allocated income at the discretion of the Managing Member, who intends to make annual distributions; however, no assurances can be made that such distributions will be made or the amount of such distributions, if any.</p>
Voting Rights	<p>Investing Members have limited voting and consent rights concerning changes proposed by the Managing Member to the Fund's structure, Operating Agreement, sharing arrangement, extending the Original Termination Date of the Fund, etc.</p>
Placement	<p>The placement is for \$30,000,000 in Units of Investing Membership Interest initially at the Initial Subscription Price of \$10.00 per Unit.*</p> <p>At least 100,000 Units (\$1,000,000 or the "Minimum Offering") must be subscribed by October 31, 2018, unless extended in the Managing Member's sole discretion, in order for this Offering to proceed.</p> <p>The number of Investing Members in the Fund will be limited to a maximum of 99 Persons to ensure availability of exemption under the Investment Company Act of 1940, as amended (after application of a look-through rule to investors that are partnerships, LLCs, grantor trusts, or S-corporations).</p> <p>Each Fund investor will be required to agree that they will not make a market in the Fund's Units and that they will not transfer their interest in the Fund on an established securities market, a secondary market or the substantial equivalent thereof.</p>
Minimum Investment	<p>The minimum investment in the Fund is a commitment of 10,000 Units (\$100,000) per investor, although we may, in our sole discretion, accept lesser amounts from qualified persons.</p>
Closing	<p>Applications to subscribe for Units of Investing Membership Interest must be received by the Fund by 5:00 PM Central Time within 360 days of the date on the cover of the Memorandum (the "Effective Date"), or such other earlier or later date as may be established by the Fund.</p>
U.S. Federal Income Taxation	<p>We will elect to be treated as a partnership for U.S. federal income tax purposes. As such, the Fund will not be subject to U.S. federal income taxation on income and gain realized from its investments. Each Unit investor that is a U.S. citizen, resident, corporation, or partnership will be required to take into account, in determining their own income tax liability, their allocable share of our income, gains, losses, deductions, and credits, whether or not such items are actually received by the investor.</p>
Transfer of Units	<p>Unit investors may not transfer Units without the prior written consent of the Fund.</p>
Redemption	<p>Only under extraordinary circumstances, as determined in the sole discretion of our Managing Member, may an Investing Member request a Redemption of their Units from the Fund prior to termination of the Fund. In the event a Redemption request is made, it must be delivered to the Managing Member at least 30 days prior to the end of the calendar quarter. Redeemed Units will be marked-to-market as of the last day of the calendar quarter. In the event a Redemption is granted, Units will be subject to a Redemption discount equal to 20% of</p>

* After subscriptions in the amount of the Minimum Offering have been accepted by the Fund, Units will be offered at the Unit NAV, which may be higher or lower than the Initial Subscription Price.

the Unit's Net Asset Value (NAV) as of the effective date of the Redemption or on any terms as may be deemed acceptable between the Investing Member and our Managing Member. Absent such a determination by our Managing Member, an Investing Member may not be able to withdraw from their investment prior to termination of the Fund.

- Expenses Out of the proceeds of the offering we will pay for and/or reimburse the Managing Member for the establishment costs of the Fund and the associated costs of the placing of the Units and preparation of the Memorandum. We will also pay expenses in connection with the operation of the Fund, including accounting, legal, and other professional costs and out-of-pocket expenses some or all of which may be paid to Affiliates. However, in no case shall such expenses exceed \$75,000 of the total invested capital of the Fund.
- Margin Policy We may borrow funds and/or use leverage to the extent available in order to maximize the Fund's overall performance (see "Risk Factors").
- Reports Investors may expect to receive regular reports and accounts of our activities promptly after these are available and will be notified of important developments concerning the Fund.

FOR MORE INFORMATION, PLEASE CONTACT OUR MANAGING MEMBER:



2ND MARKET CAPITAL SERVICES CORPORATION

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NOTICE: This material and content is qualified in its entirety by an offering memorandum (the "Memorandum") which contain more complete information including risk factors. The material contains forward-looking statements and hypothetical economic forecasts that may not be realized. Past performance is not indicative of future results which are difficult to predict. Actual results may materially vary from your expectations. By receiving or viewing this material, you acknowledge and agree not to rely upon it in making an investment decision. Please read the Memorandum. This material does not constitute or form a part of any offer to sell or solicitation to buy securities nor shall it or any part of it form the basis of any contract or commitment whatsoever. Without limiting the foregoing, this material does not constitute an offer or solicitation in any jurisdiction in which such an offer or solicitation is not permitted under applicable law or to any person or entity who is not an "accredited investor" as defined under Rule 501(a) of the U.S. Securities Act of 1933, as amended, or who does not possess the necessary qualifications described in the Memorandum and/or Rule 506(c) under Regulation D of the U.S. Securities Act of 1933, as amended. Please read the Memorandum.

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