

RETHINK EDUCATION FUND IV

Real Assets Investment Option Available through the VIP Program

Education and workforce training programs are key to economic mobility, enabling those who can access these resources to find better job opportunities and build financially stable careers. Access to education and training opportunities is particularly important for the 53 million (44%) American workers in low-wage jobs.¹

UNLOCKING human POTENTIAL through EDUCATION technology

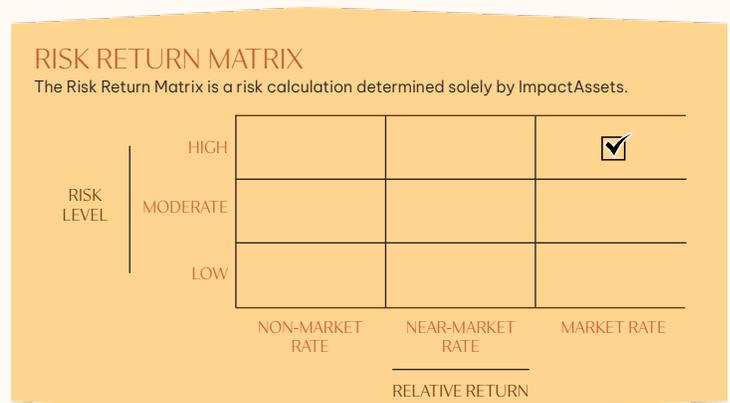
Rethink Education (RTE) invests in tools and technologies across the education spectrum—early childhood, K-12, higher education, workforce development and lifelong learning—scaling companies that help people remain in school and graduate at higher rates with lower debt, gain financial literacy skills at low to no cost, and enroll in secondary education programs to upskill and get better jobs. RTE portfolio companies target underrepresented communities, those who are cognitively or physically different, deskless workers and the under-employed, the incarcerated, refugees and other immigrants, and those who experience persecution because of their race, gender, sexuality, or any other aspect of their identities. Increasingly, RTE has focused on frontline workers who are estimated to be 1/3rd of the American workforce and tend to be disproportionately people of color and women, living with disabilities or without health insurance, and do not speak English well or at all.

RTE invests in Pre-Seed, Seed, Series A and occasionally Series B stage education technology companies catering to diverse learning styles and objectives, to deliver education to vulnerable students with a focus across the education spectrum. Through Rethink Education Fund IV, the company aims to continue investing in tools and technologies that increase access to learning, leading to profound change for individuals, families, and communities. The Fund is targeting to build a portfolio of 20 to 25 core positions, investing between \$5-15MM per investment over the life of the Fund.

RTE IV is a compelling fit for investors passionate about driving transformation in education and workforce development, serving marginalized communities, and are seeking a sophisticated team with deep investment and asset management expertise. Given the innovative nature of the EdTech space, RTE is best fit for investors who are comfortable with moderate to high levels of risk and with a long term investment horizon.

ABOUT RETHINK EDUCATION

Rethink Education is an early-stage investor founded in 2012 with the mission of helping unlock the full human potential of historically underserved populations. Across all Rethink Education funds, \$272 million in impact investments has been invested in over 110 companies in the U.S. and overseas, and reached more than 50 million learners in 2024, including over 11 million low-income individuals. Rethink Education is an affiliate of Rethink Capital Partners, a purpose-driven investment manager connecting capital to impact across two real estate strategies and three venture capital strategies.



¹Brookings, Meet the Low-Wage Workforce, 2019

INVESTMENT SPOTLIGHT: CAMPUS

Campus, a Rethink Education investment, is a higher education provider focused on expanding access to affordable, high-quality degree programs for underserved learners. Campus serves 1,500 students through a fully online associate degree program. As of December 2024, 86% of students are Pell Grant recipients, 73% are female, 52% identify as Black or Hispanic, and 47% are first-generation college students. With tuition priced at approximately \$7,000 per year (often fully covered by Pell Grants), Campus enables many students to pursue higher education with no out-of-pocket costs while delivering strong outcomes; its student success model has been shown to double two-year graduation rates.

Articulation agreements with ten institutions, including Penn State, Arizona State University, Butler and Syracuse, enable seamless transfer into bachelor programs.



STRATEGY SUMMARY

ASSET CLASS	Venture Capital
TOTAL FUND SIZE	\$150M
TARGET RETURN	10-year lock up with two one-year extensions
TERM	18%-25% Gross IRR
GEOGRAPHY	United States (with up to 25% of the portfolio outside of the US)
IMPACT AREAS	Education and Workforce Development
INVESTMENT MINIMUM	\$50,000
FUND MANAGER FEES	<ul style="list-style-type: none"> •2.0% Management Fee (stepdown of 10bps per year after Year 5 to floor of 1.5%) •20% Carried Interest
INVESTMENT FEES	This investment recommendation will incur an additional fee of 0.40%.
INVESTMENT THESIS	Invest in early-stage technology firms with the potential to transform education and workforce development
IMPACT THESIS	Rethink Education’s goal is to unlock the full human potential of people who have been marginalized or persecuted, and in doing so, help more people succeed and thrive at work, in their personal lives, and in their civic engagement.
STRENGTHS	<ul style="list-style-type: none"> •Established track record demonstrated by \$272M invested across 116 portfolio firms via four funds. •Investment team has significant education and workforce development expertise. •RTE’s mission and impact outcomes are focused on marginalized populations, including people of color.
RISKS	<ul style="list-style-type: none"> •As with any single sector-focused fund, there is the potential for a portfolio-wide downturn if the education technology sector were to perform poorly. RTE mitigates this risk by investing across a diverse range within the sector. •With Fund IV, RTE will grow its AUM and expand its portfolio significantly, which could impact effective portfolio management. RTE has mitigated this risk by making critical new hires over the past 18 months. •In 2024, RTE discovered financial inconsistencies in a portfolio firm that several of its prior funds were invested in. This firm has now been dissolved, which has resulted in a reduced financial performance for prior funds. Fund IV has no exposure to this firm. •A Principal, who has been with RTE since 2019, left in August 2024. This departure should not affect RTE’s ability to diligence new opportunities and effectively support its growing portfolio in the long term.

ABOUT THE VENTURE IMPACT PROGRAM (VIP)

VIP is an innovative way for MCF donors to engage in impact investing through philanthropy. Via a partnership with ImpactAssets – a market leader in impact investing– VIP enables philanthropic dollars to be directed towards both non-profit and for-profit companies that are seeking to make positive social or environmental impact. For further information, contact Safia Kryger-Nelson at MCF, 415.464.2515 or skryger-nelson@marincf.org.

IMPACTASSETS LEGAL AND PROGRAM DISCLAIMER: This is not a solicitation to buy or sell securities, nor a private placement offering. It is an informational description of charitably oriented, social purpose investment options that have been approved by ImpactAssets only for use in its donor advised fund asset base. It is only for use by its donors. Any allocation to private debt and equity investment options may result in losses and illiquidity that will be borne solely by each donor advised fund account with investment in these options, as will associated program fees. Investment minimums apply. Grant making from the principal value will not be possible until distributions are returned to The ImpactAssets Donor Advised Fund.

There is no guarantee of any recovery of capital. The Fund Manager has not approved the information contained in this Fund profile, including the assignment of risk ratings contained herein. The Units may be offered solely to, and subscriptions will be accepted only from “Accredited Investors,” as defined in Rule 501(a) of Regulation D promulgated under the authority of the Act, who are also “Qualified Clients,” as defined in Rule 205-3 of the United States Investment Advisers Act of 1940, as amended.

