

RETHINK EDUCATION FUND IV



A Venture Capital Fund available through the Venture Impact Program



Photos courtesy of Rethink Education

UNLOCKING HUMAN POTENTIAL THROUGH EDUCATION TECHNOLOGY

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 jobs¹.

Rethink Education (RTE) invests in tools and technologies across the education spectrum—K-12, higher education, and workforce—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 or 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 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 with a medium-long term investment horizon and who are comfortable with moderate to high levels of risk.

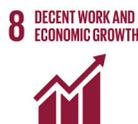
ABOUT RETHINK EDUCATION

Rethink Education is an early-stage investor founded in 2012 with the mission of helping unlock the full human potential of historically underserved populations. To date, Rethink Education has deployed \$245 million in impact investments into 94 companies in the US and overseas, and reached more than 300 million learners, including over 87 million low-income individuals. Rethink Education is an affiliate of Rethink Capital Partners, a purpose-driven multi-strategy investment manager with ~\$2.7 billion in assets under management.²

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.



¹ Brookings, Meet the Low-Wage Workforce, 2019

² As of March 31, 2023

ImpactAssets		RISK RETURN MATRIX		
RISK LEVEL	HIGH RISK			X
	MODERATE RISK			
	LOW RISK			
		NON-MARKET RATE	NEAR-MARKET RATE	MARKET RATE
RELATIVE RETURN				



ImpactAssets		FUND SUMMARY
ASSET CLASS	Private Equity (VC)	
TOTAL FUND SIZE	\$200M	
TERM	10-year lock up with two one-year extensions	
TARGET RETURN	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	
ILLUSTRATIVE INVESTMENT	Pathstream, a Rethink Education investment, is a career mobility platform focused on helping employees access the digital skills they need to succeed in a modern economy. Pathstream serves frontline and early career employees at over 300 organizations by developing employee education and certification initiatives in partnership with universities to upskill workers. Overall, 98% of participating workers achieved target career outcomes within 18 months of participating in a Pathstream program. On average, program participants' wages increase by \$24,950, with 22,141 workers served to date.	
STRENGTHS	<ul style="list-style-type: none"> Established track record demonstrated by \$237M invested across 90 portfolio firms via four funds and gross IRRs between 16.2% and 26.0% to date. Strong and diverse core team with significant education and workforce development expertise. Strong commitment to diversity, equity and inclusion demonstrated by 53% of all portfolio companies having a female or BIPOC CEO/Co-founder. Further, RTE's mission and target impact outcomes are focused on marginalized populations, including people of color. 	
RISKS	Like with any single-sector focus 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 vertical 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.	

There is no guarantee that any projection, forecast or opinion around any given investment will be realized with respect to impact, performance or liquidity. Past performance does not guarantee future results.

LEGAL AND PROGRAM DISCLAIMER: This is not a solicitation to buy or sell securities, nor a private placement offering pursuant to any private placement memorandum that must be issued to qualified investors. It is an informational description of charitably oriented, social purpose investment options that have been approved by ImpactAssets 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. The Fund Manager has not approved the information contained in this Fund profile, including the assignment of risk ratings contained herein.