

# FIRM BROCHURE

## *(PART 2A OF FORM ADV)*

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July 18, 2014

This brochure provides information about the qualifications and business practices of Garelick Capital Partners, L.P. If you have any questions about the contents of this brochure, please contact us at: (857) 250-2301, or by email at: [ref@garelickcapital.com](mailto:ref@garelickcapital.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority. Registration with the SEC or a state securities authority does not imply a certain level of skill or training.

Additional information about Garelick Capital Partners, L.P. also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## ITEM 2: MATERIAL CHANGES

### *Material Changes since the Last Update*

There have been no material changes to our brochure since our last submission.

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### ITEM 3: TABLE OF CONTENTS

<u>FIRM BROCHURE (PART 2A OF FORM ADV)</u> .....	1
<u>Garelick Capital Partners, L.P.</u> .....	1
<u>ITEM 2: MATERIAL CHANGES</u> .....	2
<u>Material Changes since the Last [Annual] Update</u> .....	2
<u>ITEM 3: TABLE OF CONTENTS</u> .....	2
<u>ITEM 4: ADVISORY BUSINESS</u> .....	5
<u>Firm Description</u> .....	5
<u>Principal Owners</u> .....	5
<u>Types of Advisory Services</u> .....	5
<u>Tailored Relationships</u> .....	5
<u>Wrap Fee Programs</u> .....	5
<u>Assets Under Discretionary and Non-Discretionary Management</u> .....	6
<u>ITEM 5: FEES AND COMPENSATION</u> .....	6
<u>Description</u> .....	6
<u>Fee Billing</u> .....	7
<u>Other Fees or Expenses</u> .....	7
<u>Participation or Interest in Client Transaction</u> .....	8
<u>ITEM 6: PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT</u> .....	8
<u>ITEM 7: TYPES OF CLIENTS</u> .....	8
<u>ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS</u> .....	9
<u>Methods of Analysis and Investment Strategies</u> .....	9
<u>Risk of Loss</u> .....	9
<u>ITEM 9: DISCIPLINARY INFORMATION</u> .....	17
<u>ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS</u> .....	17
<u>Broker-Dealer Registration</u> .....	17
<u>Futures, Commodity Pool Operator, Commodity Trading Advisor</u> .....	17
<u>Related Person Arrangements</u> .....	17
<u>Arrangements With Other Investment Advisers</u> .....	17
<u>ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING</u> .....	18
<u>Code of Ethics</u> .....	18

<u><i>Participation or Interest in Client Transactions and Personal Trading</i></u> .....	19
<u>ITEM 12: BROKERAGE PRACTICES</u> .....	19
<u><i>Selecting Brokerage Firms</i></u> .....	19
<u><i>Research and Other Soft Dollar Benefits</i></u> .....	20
<u><i>Brokerage for Client Referrals</i></u> .....	21
<u><i>Directed Brokerage</i></u> .....	21
<u><i>Aggregation of Client Accounts</i></u> .....	21
<u>ITEM 13: REVIEW OF ACCOUNTS</u> .....	21
<u><i>Periodic Reviews</i></u> .....	21
<u><i>Review Triggers</i></u> .....	21
<u><i>Regular Reports</i></u> .....	21
<u>ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION</u> .....	22
<u>ITEM 15: CUSTODY</u> .....	22
<u>ITEM 16: INVESTMENT DISCRETION</u> .....	22
<u>ITEM 17: VOTING CLIENT SECURITIES</u> .....	23
<u>ITEM 18: FINANCIAL INFORMATION</u> .....	23
<u>ITEM 19: REQUIREMENTS FOR STATE-REGISTERED ADVISERS</u> .....	24

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## **ITEM 4: ADVISORY BUSINESS**

### ***Firm Description***

Garelick Capital Partners, L.P. (“Garelick Capital,” “we” or “us”) was formed as a Delaware limited partnership on May 4, 2012. Bruce Garelick is the managing partner and principal owner of Garelick Capital. Garelick Capital primarily provides discretionary advisory services, with a focus on the technology sector and the objective of achieving attractive risk-adjusted returns.

### ***Principal Owners***

Bruce Garelick is the sole principal owner of Garelick Capital.

### ***Types of Advisory Services***

Garelick Capital serves as investment manager, providing discretionary investment management services, to Garelick Capital Partners QP Feeder Fund, L.P., a Delaware limited partnership (“US Feeder”), Garelick Capital Partners QP Feeder Fund (Cayman), Ltd., a Cayman Islands exempted company (the “Cayman Feeder”), and Garelick Capital Partners QP Master Fund, L.P., a Cayman Islands limited partnership (the “Master Fund” and collectively with the US Feeder and the Cayman Feeder, the “Fund”). Garelick Capital also serves as a subadviser, providing discretionary investment management services, to a portion of the investment portfolio of a registered investment company (the “RIC Subportfolio”) pursuant to a subadvisory agreement with the RIC’s investment manager, Simple Alternatives, LLC (“Simple Alternatives”). Garelick Capital may, in the future, manage additional funds and separately managed accounts, having similar or different strategies from the Fund and/or the RIC Subportfolio.

### ***Tailored Relationships***

Garelick Capital manages assets on a discretionary basis by means of separate account mandates and management of pooled vehicles. Although we may agree to investment guidelines and restrictions with respect to an account, it does not otherwise generally tailor its services to a particular client (or investor in a pooled vehicle). Garelick Capital’s investment advice is presently focused on investments in the technology sector.

### ***Wrap Fee Programs***

Garelick Capital does not participate in wrap fee programs.

## ***Assets Under Discretionary and Non-Discretionary Management***

Garelick Capital manages client assets on a discretionary basis. Garelick Capital does not provide non-discretionary investment advice. The total regulatory assets under management as of June 30, 2014 were \$113,229,255.

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## **ITEM 5: FEES AND COMPENSATION**

### ***Description***

For services provided to the Fund, Garelick Capital is paid a management fee generally at a rate of 1.5% per annum of net assets under management, provided that the Fund may provide a reduce rate to early investors in the Fund who make a substantial investment. In addition, we have the right to waive or reduce the management fees in any instance, in our discretion. The management fee is calculated and paid monthly in arrears based on net asset value as of the end of the relevant calendar month.

Garelick Capital GP, LLC ("General Partner"), an affiliate of Garelick Capital and the general partner of the Delaware Feeder and the Master Fund, receives incentive compensation from the Master Fund in the form of a special allocation of profit of the Master Fund (with each of the Delaware Feeder and the Cayman Feeder Assessed their respective pro rata share of such allocation based on their respective capital accounts in the Master Fund). The incentive from the Master Fund is generally calculated and made as of each fiscal year-end based on the (realized and unrealized) appreciation in the net asset value of each capital subaccount (a separate capital account is maintained for each capital subscription to the Fund), subject to a high water mark. An incentive allocation will also be assessed prior to year end with respect to capital withdrawn from any capital subaccount prior to year end. The general rate of the incentive allocation will be twenty percent (20%) of the value of a capital subaccount in excess of the relevant high water mark, provided that we expect to offer a reduced allocation to early investors in the Fund who make a substantial investment and we reserve the right to agree to differing terms with any particular investor. Once made, an incentive allocation will not be reduced by losses incurred in later periods. The General Partner may vary the incentive allocation as to particular investors by separate agreement.

As full compensation for the services provided and the expenses assumed by Garelick Capital in connection with its management of the RIC Subportfolio, we will receive a fee at the annual rate of 1% of the average daily net asset value of the RIC's

sub-advised assets under our management. Garelick Capital's compensation will be computed based on net assets on each day and is payable monthly in arrears.

### ***Fee Billing***

Management fees are deducted from the Fund's assets on a monthly basis. The RIC Subportfolio fees are paid monthly in arrears from Simple Alternatives. Incentive compensation, where applicable, is payable at fiscal year-end, or on an earlier withdrawal of capital (with respect to the amount withdrawn).

### ***Other Fees or Expenses***

All administration, custody, brokerage, resident agent and similar fees, and all other operating, organizational and offering expenses of the Fund (or account in the case of the RIC Subportfolio) are paid directly by the Fund or other client. In addition, the Cayman Feeder may pay (or the Master Fund may pay and allocate to the Cayman Feeder's capital account) fees to directors by way of remuneration for their services to the Cayman Feeder.

### ***Participation or Interest in Client Transaction***

Neither Garelick Capital nor any of our related persons engage in the purchase or sale of securities to or from customer accounts (principal transactions), nor do they act as agent or broker for any other person in transactions in which customer securities are bought or sold.

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## **ITEM 6: PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT**

As discussed above under “Item 5 - Fees and Compensation,” in connection with the Fund that it manages, Garelick Capital has the right to receive a management fee and an affiliate, Garelick Capital GP, LLC, has the right to an incentive allocation based on the performance of the Fund. For management of the RIC Subportfolio, Garelick Capital only receives a management fee and not a performance allocation (or fee). As a result, Garelick Capital may face a conflict of interest in managing both the Fund and the RIC Subportfolio at the same time because Garelick Capital may have an incentive to favor Fund for which its affiliate receives a performance allocation. Garelick Capital seeks to address this conflict of interest through its trade allocation policies and procedures, which require that portfolio managers seek to allocate investment opportunities among clients in a manner that is fair and reasonable, using their best judgment.

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## **ITEM 7: TYPES OF CLIENTS**

Garelick Capital’s current clients are the Fund and the RIC Subportfolio. See “Item 4 - Advisory Business” above. Potential Fund investors may read the eligibility criteria and minimum investment requirements of a Fund in a Fund’s confidential offering memorandum and subscription application.



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## ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

### ***Methods of Analysis and Investment Strategies***

Garelick Capital employs a fundamental investment approach, coupled with a well-defined, dynamic risk management framework to control portfolio volatility and common factor risk. Our fundamental approach employs a broad view of the technology sector, with selective deeper focus on particular issuers and/or segments within the sector from time to time, based on themes or opportunities identified by Garelick Capital. In particular, we seek to identify investment opportunities in instances where we believe that our investment process provides us with a superior understanding over consensus views on a targeted investment. Portfolios may invest in a variety of securities and derivative instruments in pursuant of generating positive returns, however the primary focus is expected to be on long and short positions in individual publicly traded equity securities.

### ***Risk of Loss***

#### Risks of Equity Investments

Our strategies are subject to risks associated with any equity investment strategy. Sharp downward market moves may adversely impact long positions and result in losses. Sharp upward market moves may adversely impact short positions and result in losses. Losses may also be incurred on individual positions as a result of issuer-specific matters such as unexpected disappointing earnings, lawsuits, analyst action or other matters. Equity returns are volatile and may fluctuate substantially over time.

#### Risks associated with Technology Investments

Technology stocks and ETFs tend to be highly volatile as compared to the broader equity markets. In addition, technology intensive industries generally are highly competitive and characterized by rapid innovation. If we are not able to anticipate new trends and developments, returns may be adversely affected.

#### Information Sources and Analysis

We select investments based in part on information and data that the issuers of securities file with various government agencies or make directly available to us, or that we obtain from other sources. We are not in a position to confirm the completeness, genuineness or accuracy of such information and data, and in some cases, complete and

accurate information may not be readily available. We are not in a position to obtain all relevant information regarding a company or a security. Further, we may misinterpret or incorrectly analyze the information that it has about a particular fund, company or security. These and other factors may cause us to invest in securities at times that will lead to losses, or to forego investments that would have resulted in gains.

#### Use of Quantitative Tools

We employ various risk analytics and quantitative algorithms to monitor the risk profile of investments and of investment portfolios as a whole. There can be no assurances that these tools and algorithms will operate correctly in all market conditions. We will seek to mitigate the risks of loss resulting from such an event by monitoring and reassessing the efficacy of its methods. However, despite these controls it is possible that errors may occur in coding, third party software and/or data feeds, as is the case with any complex software tools, and no guarantee or warranty can be provided that any quantitative algorithm is completely free of errors.

#### Lack of Liquidity of Fund Assets

While we expect that to invest primarily in liquid securities, we may at times include securities and other financial instruments or obligations which are thinly traded, or that are relatively liquid when acquired but that become illiquid after the time of investment. The sale of any such investments may be possible only at substantial discounts. Further, such investments may be extremely difficult to value with any degree of certainty.

#### Short Sales

We expect to cause client's portfolios to engage in short sales. By doing so, the portfolios will become obligated to purchase and deliver securities against the short position. In the event that the price of a security increases between the short sale and the subsequent purchase of shares of that security, losses will result. In theory, a short sale has the potential for unlimited loss. In connection with short sales, it is necessary to deliver cash or United States Treasury securities or other securities to brokers to assure delivery of equity securities against short positions; the applicable portfolio will be able to keep only a negotiated percentage of the yield of such United States Treasury or other securities.

The availability of shares to borrow to execute a short can change quite dramatically and quickly. This presents a risk not faced with long positions. Dramatic changes in the availability of borrowed securities for shorting is an event not typically addressable through fundamental security analysis. Short squeezes or short covering rallies can be quite detrimental to overall profits. Avoiding hard-to-borrow shares or illiquid names is a basic risk management discipline. Easy-to-borrow shares can become hard-to-borrow

quickly. The negative “crowding out” effect is more prevalent with the rapid growth in the number of long-short funds.

#### Market Losses and Volatility; Economic Conditions

Changes in economic conditions, including, for example, interest rates, credit availability, inflation rates, systemic financial market instability, industry conditions, government regulation, competition, technological developments, political and diplomatic events and trends, tax and other laws and innumerable other factors, can affect a portfolio’s investments and prospects materially and adversely. This is particularly true in the technology sector, which generally features a higher level of volatility than other markets sectors. None of these conditions is within our control, and we may not at times anticipate these developments. These factors may affect the volatility of securities prices and the liquidity of investments. Unexpected volatility or illiquidity could impair profitability or result in losses.

The financial markets in recent years experienced periods of severe losses and extreme volatility. In addition, government intervention into the markets has been substantial and unpredictable, such as the temporary ban on shorting the securities of certain financial institutions and the “bailout” of various financial institutions. We cannot predict whether such severe losses may occur again, when the volatility may cease, or the nature and impact of further government intervention.

#### Reliance on Third Parties

We anticipate that we will have limited (if any) ability to influence management of any company in which we invest on behalf of a client. In such cases, we will often need to rely on the existing management and board of directors of such companies to realize on the value of the investment.

#### Securities of Non-U.S. Issuers

We may invest and trade in securities of non-U.S. issuers traded outside the United States. The economies of certain non-U.S. countries may be vulnerable to changes in international trading patterns, trade barriers and other protectionist or retaliatory measures. Investments in non-U.S. countries also may be adversely affected by governmental actions such as the imposition of capital controls, nationalization of companies or industries, expropriation of assets or imposition of punitive taxes. In addition, certain governments may prohibit or impose substantial restrictions on foreign investing in capital markets or in certain industries. Any such action could severely affect securities prices, impair our ability to purchase or sell non-U.S. securities or otherwise adversely affect the investment. Other risks of investing outside the United States may include, without limitation, difficulties in pricing securities and difficulties in

enforcing favorable legal judgments in courts. The economies of certain non-U.S. countries may be based predominantly on only a few industries and may have higher levels of debt or inflation.

### Emerging Markets

Some of the countries in which the issuers of securities in which we may invest include “emerging markets,” many of which have experienced political, economic and/or social instability. Many emerging market countries have also experienced dramatic swings in the value of their national currency. There can be no assurance given that such instability or such fluctuations will not occur in the future and, if they do occur, that they will not have a material adverse effect.

The laws and regulations in some of the countries in which we may invest are subject to frequent changes driven by the economic, social and political instability. The legal systems in certain countries may be transitional and the laws regulating securities transactions, protection of investors and ensuring market discipline, which are customary in countries with developed securities markets, may not be available. Where the legal and regulatory framework is in place, the enforcement may be inadequate or insufficient.

Some of the countries where the Fund may invest may not recognize regulation by the exchanges and self-regulatory organizations as law that can be enforced through the judiciary or by means otherwise available to the investors in developed markets.

Some of the countries where we may invest currently have or may in the future introduce foreign exchange control regulations, which can limit our ability to repatriate the dividends, interest or other income from the investments or the proceeds from sale of securities.

Risks associated with the investments in the emerging markets, including but not limited to the risks described above, could adversely affect performance and result in substantial losses

### Non-U.S. Exchanges and Markets

We may engage in trading on non-U.S. exchanges and markets. Trading on non-U.S. exchanges may be conducted in such a manner that all participants are not afforded an equal opportunity to execute certain trades and may also be subject to a variety of political influences and the possibility of direct governmental intervention. If settlement procedures are unable to keep pace with the volume of transactions, it will be difficult to conduct such transactions. Any difficulty with clearance or settlement procedures on non-U.S. exchanges and markets may expose the relevant portfolio to losses.

### Exchange Rate Risk

Volatility in international exchange rates between the United States dollar and other currencies may affect pricing and the profit margin on sales of non-U.S. securities. This, in turn, could adversely affect rate of return.

### Investments in Improperly Valued Assets

We will seek to invest in securities that we believe to have been undervalued or overvalued by consensus views. The identification of investment opportunities is a difficult task, and there is no assurance that such opportunities will be successfully recognized or acquired. While investments in improperly valued securities theoretically offer the opportunity for above-average capital appreciation, these investments may involve a high degree of financial risk and can result in substantial losses. We may be forced to sell, at a substantial loss, securities that we believed to be undervalued, if they are not in fact undervalued, or may realize losses on short positions with respect to securities we believed to be overvalued if they are not in fact overvalued. In addition, it may be necessary to hold such assets for a substantial period of time before realizing their anticipated value, thus tying up available funds and possibly preventing investments in other opportunities.

### Small Cap Issuers

Many technology companies are in the range of smaller-to-medium sized companies, which are of a less seasoned nature. Securities of such issuers often involve significantly greater risks than the securities of larger, better-known companies. While smaller companies may offer substantial opportunities for capital growth, they also involve substantial risks and should be considered speculative. Historically, smaller company securities have been more volatile in price than larger company securities, especially over the short term. Among the reasons for the greater price volatility are the less certain growth prospects of smaller companies, the lower degree of liquidity in the markets for such securities, and the greater sensitivity of smaller companies to changing economic conditions.

In addition, smaller companies may lack depth of management, be unable to generate funds necessary for growth or development, have limited product lines or be developing or marketing new products or services for which markets are not yet established and may never become established. Smaller companies may be particularly affected by interest rate increases, as they may find it more difficult to borrow money to continue or expand operations, or may have difficulty in repaying any loans, which are floating rate.

## Options

We may at times engage in options trading. Stock or index options that may be purchased or sold include options not traded on a securities exchange. Options not traded on an exchange are not issued by the Options Clearing Corporation; therefore, the risk of nonperformance by the obligor on such an option may be greater and the ease with which the Fund can dispose of such an option may be less than in the case of an exchange-traded option issued by the Options Clearing Corporation. The trading of options is highly speculative and may entail risks that are greater than those present when investing in other securities. Prices of options are generally more volatile than prices of other securities. To the extent that the Fund purchases options that it does not sell or exercise, it will suffer the loss of the premium paid in such purchase. To the extent that the Fund sells options and must deliver the underlying securities at the option price, the Fund and, therefore, the Fund, each have a theoretically unlimited risk of loss if the price of such underlying securities increases. To the extent that the Fund must buy the underlying securities, it risks the loss of the difference between the market price of the underlying securities and the option price. Any gain or loss derived from the sale or exercise of an option will be reduced or increased, respectively, by the amount of the premium paid. The expenses of option investing include commissions payable on the purchase and on the exercise or sale of an option. Special risks are associated with the use of options. A decision as to whether, when and how to use options involves the exercise of skill and judgment which are different from those needed to select securities, and even a well-conceived transaction may be unsuccessful to some degree because of market behavior, currency fluctuations or interest rate trends. The potential loss incurred by the Fund and, therefore, the Fund, in writing uncovered options is unlimited. When options are used as a hedging technique, there can be no guaranty of a correlation between price movements in the option and in the portfolio securities being hedged. A lack of correlation could result in a loss on both the hedged securities and the hedging vehicle, so that the Fund's return might have been better had hedging not been attempted.

## Exchange-Traded Funds

Because ETF shares, as opposed to mutual fund shares, are exchange-traded securities, they are subject to additional risks. ETF shares are bought and sold on the secondary market at market prices. Although it is expected that the market price of an ETF share typically will approximate its net asset value ("NAV"), there may be times when the market price and the NAV vary significantly. Thus, we may pay more than NAV when purchasing ETF shares on the secondary markets, and may receive less than NAV when selling those shares. Some ETFs may utilize leverage to enhance returns. The effect of such leverage may result in a greater increase in NAV. However, such ETFs can be extremely volatile as the NAV tends to fluctuate out of proportion to the underlying

securities due to the leverage employed. Although ETF shares in which we invest are listed for trading on stock exchanges, it is possible that an active trading market may not be maintained.

#### Use of a Prime Broker to Hold Assets

With respect to pooled vehicles for which we act as the primary adviser (rather than as a subadviser to a portion of the portfolio) we intend to use one or more prime brokers to hold some or all of its assets. Special risks exist if the assets are held by a prime broker rather than a bank custodian. In the event that the prime broker experiences severe financial difficulty, the applicable fund's assets could be frozen and inaccessible for withdrawal or subsequent trading for an extended period of time while the prime broker's business is liquidated, resulting in a potential loss to the fund due to adverse market movements while the positions cannot be traded. Furthermore, if the prime broker's pool of assets is determined to be insufficient to meet all claims, the fund could suffer a loss.

#### Reliance on Key Individual

The success of our business is substantially dependent on the efforts of Bruce Garelick. The loss of the services of Mr. Garelick could adversely affect clients.

#### Aggregation of Trades

We may manage several portfolios at any time and expect that such portfolios will, from time to time, purchase or sell the same securities, and in such instance we may aggregate orders for the purchase or sale of securities. Securities purchased or proceeds of securities sold through aggregated orders are allocated to the account of each portfolio that bought or sold such securities at the average execution price. If less than the total of the aggregated orders is executed, purchased securities or proceeds will generally be allocated pro rata among the participating portfolios in proportion to their planned participation in the aggregated orders. No portfolio will receive the lowest purchase price or the highest sale price in connection with such order unless all purchases or sales are at the same price.

#### Material Inside Information

If the Investment Manager comes into possession of material inside information of an issuer in connection with one of the accounts it manages, it will be unable to trade securities issued by such issuer for all accounts under management until the information is made public.



### No Guarantee of Best Execution

There is no assurance that the purchase and sale of investments by us will be made on a best price and best execution basis, although we will seek to achieve best execution. Clients may pay brokerage commissions in excess of the lowest rates available to brokers who execute transactions for their account or who otherwise provide brokerage and research services utilized by Garelick Capital. Brokerage and research services obtained with soft dollars will be limited to those permitted by Section 28(e) of the U.S. Securities and Exchange Act of 1934, as amended. Such services may include, but are not limited to: (i) written information and analyses concerning specific securities, companies or sectors; (ii) market, financial and economic studies and forecasts, as well as discussions with research personnel; (iii) certain financial and industry publications; and (iv) statistical, pricing and database services utilized in the investment management process. Under Section 28(e), research obtained with soft dollars may be used by Garelick Capital to service other client accounts that the account that resulted in the generation of such soft dollars.

Brokers sometimes suggest a level of business they would like to receive in return for the various services they provide. Actual brokerage business received by any broker may be less than the suggested allocations, but can (and often does) exceed the suggestions, because total brokerage is allocated on the basis of all the considerations described above. A broker is not excluded from receiving business because it has not been fully identified as providing research services.

### Hedging

We may attempt to structure investments, and/or use various investment strategies and instruments, in a manner intended to hedge exposure to market movements or other risks or limit losses. No assurance can be given that any hedging strategies or techniques we employ will be successful or will operate as intended. The use of hedging instruments or strategies may reduce the profit realized in some cases, and may result in additional expenses. Although we have identified a number of potential risk management and capital management strategies, we will not be obligated to adopt or maintain any particular hedging or risk management procedures.

### Directional Bias

We do not expect that portfolios we manage will be fully market neutral. The net exposure of portfolios under our management will vary based on our view of the underlying investment opportunities within the sector. To the extent that the sector falls while a portfolio is net long, it will likely result in losses. At this time we do not expect that any portfolio will be net short for any significant period of time.



### Turnover and Trading Costs

Our investment strategies typically feature a high degree of turnover, which will result in higher transaction costs than in the case of a simple buy-and-hold strategy. The transaction costs associated with an active trading strategy may lower returns. Our strategies may also generate significant amounts of short-term capital gain, which is taxed at higher rates than long-term capital gain.

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## **ITEM 9: DISCIPLINARY INFORMATION**

We have no events to disclose in response to this Item 9.

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## **ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

### ***Broker-Dealer Registration***

Garelick Capital does not have a registration or an application pending to register as a broker-dealer or a registered representative of a broker-dealer.

### ***Futures, Commodity Pool Operator, Commodity Trading Advisor***

Garelick Capital does not have a registration or an application pending to register as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

### ***Related Person Arrangements***

Garelick Capital has a material relationship with its affiliate, Garelick Capital GP, LLC as disclosed above. Other than with respect to the incentive compensation previously discussed in this brochure, we do not believe that this relationship presents any material conflicts of interest.

### ***Arrangements With Other Investment Advisers***

Garelick Capital does not recommend or select other investment advisers for our clients nor do we have other business relationships with those advisers that create a material conflict of interest.

## ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

### *Code of Ethics*

Garelick Capital has adopted a Code of Ethics (the “Code of Ethics”) in accordance with Rule 204A-1 of the Investment Advisors Act of 1940 (the “Act”). A copy of the Code of Ethics is available to clients upon request without charge. The purpose of the Code of Ethics is to set forth certain key guidelines that have been adopted by us as office policy for the guidance of all personnel (including personnel of our advisory affiliates) and to specify the responsibility of all employees of and consultants to Garelick Capital to act in accordance with their fiduciary duty to our clients and to comply with applicable federal and state laws and regulations. The Code of Ethics requires that all employees and consultants conduct themselves in accordance with high ethical standards, which should be premised on the concepts of integrity, honesty and trust, and in full compliance with all applicable federal and state laws and regulations concerning the securities industry.

The following is a summary of certain provisions of the Code of Ethics:

**Confidential Information:** As an investment adviser, we have a fiduciary duty to our clients not to divulge or misuse information obtained in connection with our services as an adviser. Therefore, all information, whether of a personal or business nature, that an employee or consultant obtains about a client's affairs in the course of employment or in connection with a consulting agreement with us should be treated as confidential and used only to provide services to or otherwise to the benefit of the client. Such information may sometimes include information about non-clients, and that information should likewise be held in confidence. Even the fact that Garelick Capital advises a particular client should ordinarily be treated as confidential.

**Material Inside Information:** All partners, employees and consultants of Garelick Capital (in any capacity) and all persons - friends, relatives, business associates and others - who receive nonpublic material inside information from employees concerning an issuer of securities (whether such issuer is a client or not) are subject to these rules. The Code of Ethics sets forth an extensive list of subject information about which is likely to be material inside information. The Code of Ethics forbids trading on material inside information and also explicitly forbids disclosing material inside information to another person (“tipping”) who subsequently uses that information for his or her profit.

**Fiduciary Duty and Conflicts of Interest:** Garelick Capital and its employees and partners have a fiduciary duty to its clients to act for the benefit of the clients before taking any action in interest of any employee or the firm.

The Code of Ethics addresses, among others, the following common examples of conflicts of interest.

**Gifts and Entertainment:** In order to address conflicts of interest that may arise when an employee accepts or gives a gift, favor, entertainment, special accommodation, or other items of value, Garelick Capital places restrictions on gifts and entertainment. The Code of Ethics contains policies relating to gifts and entertainment.

**Scalping or Front-Running:** The Code of Ethics contains policies relating to scalping or front-running trades for clients.

### ***Participation or Interest in Client Transactions and Personal Trading***

Our employees, partners, and family members may not trade any securities that we may trade for without prior approval from the Chief Compliance Officer, provided that we have provided blanket approval for certain types of investments that we view as presenting minimal or no risk of conflicts (municipal bonds, closed-end mutual funds, index options and index futures and exchange traded funds (ETFs) on broad indices, commodities, government securities, regions or countries). In accordance with the Act, employees are required to file quarterly trading reports, and annual holding reports, with the Chief Compliance Officer. Generally, the Chief Compliance Officer will not allow an employee or partner to buy or sell a security at or about the same time we are buying or selling this security on behalf of a client. Under most circumstances, the Chief Compliance Officer will not allow an employee or partner to invest in the same security that a client may invest in, or be party to a securities transaction with any client, or buy or sell a security for a client that an employee or partner may have a material financial interest in.

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## **ITEM 12: BROKERAGE PRACTICES**

### ***Selecting Brokerage Firms***

When placing trades on behalf of a client, Garelick Capital has a fiduciary duty to seek to obtain the best execution possible for the client. While a primary criterion for all transactions in portfolio securities is the execution of orders at the most favorable net price, numerous additional factors may be considered when arranging for the purchase and sale of clients' portfolio securities. These include restrictions imposed by the federal securities laws and the allocation of brokerage in return for certain services and materials described below. In determining the abilities of the broker-dealer to obtain

best execution of a particular transaction, Garelick Capital will consider all relevant factors including the execution capabilities required by the transaction(s), the ability and willingness of the broker-dealer to facilitate the account's portfolio transactions promptly and at reasonable expense, the importance to the account of speed, efficiency or confidentiality, the broker-dealer's apparent familiarity with sources from or to whom particular securities might be purchased or sold, the broker-dealer's ability to supplement Garelick Capital's management capabilities with research, quotation and consulting services, as well as any other matters Garelick Capital deems relevant to the selection of a broker-dealer for a particular portfolio transaction of the account.

On a semi-annual basis, the Chief Compliance Officer shall review the list of brokers with whom Garelick Capital does business, the commissions paid to such brokers and the soft dollar products and services provided by such brokers to Garelick Capital and assess whether Garelick Capital is achieving best execution and is complying with its brokerage policy. The Chief Compliance Officer shall perform this review with input from the Managing Partner, along with any recommendations for changes.

### ***Research and Other Soft Dollar Benefits***

Garelick Capital may use broker-provided products and services which assist in carrying out its investment decision making responsibilities. These services may include (but are not limited to): research consulting, research services (data, certain periodicals and seminars), data services, and certain brokerage services. Garelick Capital intends to comply with Section 28(e) of the Securities Exchange Act of 1934 in connection with its use of soft dollars. In some cases we may acquire a product or service with soft dollars which also has uses that do not fall within the Section 28(e) safe harbor. In these cases Garelick Capital will make a reasonable allocation of the cost of the product or service according to its use. That portion of the product or service which provides administrative or other non-research services will be paid for by Garelick Capital in hard dollars.

When "soft" dollars are used to provide research or other products or services, Garelick Capital receives a benefit because we do not have to pay for the product or service with its own funds. Additionally, "soft" dollars may create an incentive for Garelick Capital to select brokers based on our desire to receive such products or services without paying for them itself, rather than to obtain best execution for our clients. "Soft" dollar arrangements may cause clients to pay commissions higher than those charged by other brokers in return for such soft dollar benefits.

All research services received from broker-dealers to whom commissions are paid are used collectively. There is no direct relationship between commissions received by a broker-dealer from a particular client's transactions and the use of any or all of that broker-dealer's research material in relation to that client's account. The Company may

pay a broker-dealer a brokerage commission in excess of that which another broker-dealer might have charged for the same transaction in recognition of research and brokerage related services provided by the broker-dealer.

### ***Brokerage for Client Referrals***

Garelick Capital does not participate in brokerage for client referral programs and does not consider referrals in selecting brokers to execute transactions on behalf of its clients.

### ***Directed Brokerage***

Garelick Capital does not participate in directed brokerage programs.

### ***Aggregation of Client Accounts***

Garelick Capital may at times, aggregate trades for the account of multiple clients, and/or may aggregate client trades with any trades conducted for its own account, provided that securities purchased or proceeds of sales from aggregated orders will be allocated among all relevant accounts at the average execution price.

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## **ITEM 13: REVIEW OF ACCOUNTS**

### ***Periodic Reviews***

Garelick Capital monitors and reviews the Fund and the RIC Subportfolio on a regular basis (typically daily) for exposure, trading activity, and investment guidelines and restrictions. On a monthly basis, SS&C Technologies, Inc., the Fund's administrator, will reconcile the positions, cash, corporate actions, and performance with the custodians. BNY Mellon is the administrator for the RIC Subportfolio.

### ***Review Triggers***

Garelick Capital's trading and performance is reviewed on a daily basis. While no other formal review triggers are currently in place, we may conduct other reviews, or may examine any particular transaction or issue in more detail, as circumstances demand in our discretion.

### ***Regular Reports***

Fund investors receive account statements directly from the Fund's administrator on a monthly basis. Garelick Capital may supplement these statements with reports, letters or other communications. All Fund investors also receive annual reports that will include audited financial statements of the Fund as of the end of each fiscal year.

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## **ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION**

Garelick Capital does not receive any economic benefit from a person who is not a client for providing investment advice or other advisory services to Garelick Capital's clients. Garelick Capital does not directly or indirectly compensate any person who is not a supervised person for client referrals.

However, the Fund, Garelick Capital and our affiliates reserve the right to enter into agreements with one or more third parties providing for, among other things, (i) payments to such third parties of a fully disclosed sales charge which may be paid from the investments of certain investors that agree thereto or (ii) payments by us to one or more of such third parties of a one-time or ongoing fee based upon the capital contributions of certain investors.

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## **ITEM 15: CUSTODY**

Custody of the Fund assets is maintained with a qualified custodian (typically either a prime broker or other broker). Each of the Master Fund, US Feeder and Cayman Feeder are audited annually and Investors are sent the audited financial statements within 120 days following the end of the Fund's fiscal year end. The audit is conducted by an accountant that is registered with and subject to inspection by the Public Company Accounting Oversight Board (PCAOB).

SS&C Technologies, Inc. ("SS&C") serves as the Fund's Administrator. SS&C's responsibilities include sending monthly account statements to each investor in the Fund. Since the Fund consists of commingled accounts, the investors do not receive prime brokerage or custodial statements, but do receive annual audited financials of the Fund vehicle in which they invested. SS&C does reconcile the accounting records to the records of the prime brokers and custodians.

The RIC is responsible for its own custodial arrangement and related fees, and Garelick Capital does not have custody of the RIC portfolio's assets.

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## **ITEM 16: INVESTMENT DISCRETION**

Garelick Capital has complete investment discretion authority over the purchase and sale of investments for the Fund.

Garelick Capital also has full trading discretion with respect to the RIC Subportfolio, subject to supervision by the RIC's adviser, Simple Alternatives.

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## **ITEM 17: VOTING CLIENT SECURITIES**

Garelick Capital has established written policies and procedures setting forth the principles and procedures by which we vote or give consent with respect to securities owned by the Fund ("Votes"). The guiding principle by which Garelick Capital votes all proxies is to act in the best interests of the client in order to maximize the economic value of its holdings.

Garelick Capital reserves the right to abstain on any particular Vote or otherwise withhold its vote or consent on any matter, such as when the Chief Compliance Officer (CCO), Managing Partner or another relevant investment professional, in the exercise of his or her judgment, determines that the particular client is no longer a shareholder of an issuer on the date of a Vote, a client does not have a material holding in the issuer, the cost of a Vote would exceed the expected benefit of the Vote to the client, a Vote would be immaterial to the client, or that an abstention or withholding is otherwise advisable and in the best interests of the relevant client.

The investors in the Fund generally cannot direct Garelick Capital's Vote.

The Managing Partner of Garelick Capital generally reviews all Votes. In most cases, the Managing Partner will make the decision as to the appropriate vote for any particular Vote, in consultation with the CCO, as necessary. To the extent the Managing Partner believes a Vote presents any conflicts of interest, regardless of whether they are actual or perceived, he will consult with the CCO in making a determination of how to vote or whether to abstain from voting. Where the Managing Partner and CCO deem appropriate in their sole discretion, unaffiliated third parties may be used to help resolve conflicts.

Copies of relevant proxy logs, identifying how proxies were voted in connection with a Fund and copies of proxy voting policies are available to any Client or prospective Client upon written request.

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## **ITEM 18: FINANCIAL INFORMATION**

Garelick Capital does not solicit prepayment of more than \$1200 in fees per client, six months or more in advance. Garelick Capital is not aware of any financial condition that is reasonably likely to impair its ability to meet its contractual commitments to its clients. Nor has it been subject of a bankruptcy petition.

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## **ITEM 19: REQUIREMENTS FOR STATE-REGISTERED ADVISERS**

This Item is not applicable to Garelick Capital.

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