

**Item 1- Cover Page**

**Firm Brochure  
(Part 2A of Form ADV)**

**TRUE WIND CAPITAL MANAGEMENT, L.P.**

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This brochure provides information about the qualifications and business practices of True Wind Capital Management, L.P. ("True Wind" or the "Firm"). If you have any questions about the contents of this brochure, please contact us at (415) 780-9975. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the "SEC") or by any state securities authority.

Additional information about True Wind is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Registration of an investment adviser with the SEC does not imply any level of skill or training.

**Item 2 – Material Changes:**

True Wind (CRD number 281109) is an existing registered investment adviser and has submitted a prior version of this Brochure to regulators, clients and prospective clients. This brochure contains the following updates to the prior version of this Brochure, dated April 2018:

- Item 1 has been updated to reflect the change in structure of the investment adviser.

At any time, you may view the current version of True Wind's Brochure on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

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#### **Item 4 – Advisory Business**

- A. True Wind is a private investment firm that focuses primarily on private equity investments in lower middle-market companies within the global information technology and technology-enabled industries (collectively, the “Technology Industry”). The Firm was established in 2014 and operates from its sole office in San Francisco, California. True Wind serves as an investment adviser to certain pooled investment vehicles (the “Funds” or “Clients”) that are exempt from registration under the Investment Company Act of 1940, as amended (the “Investment Company Act”). The Firm’s principal owners are Adam H. Clammer and James H. Greene, Jr.
- B. True Wind provides investment advisory services solely to the Funds with respect to the identification, acquisition, management and disposition of, primarily, lower middle-market enterprise technology companies pursuant to management agreements between True Wind and the Funds. The Funds have also, at the direction of True Wind, formed a special purpose acquisition company (the “SPAC”), Nebula Acquisition Corporation, which is a publicly-traded “blind pool” entity that raises a pool of capital from public investors and looks to deploy that cash to acquire all or a part of a private (or potentially public) company. More information on the SPAC can be found in Item 10 of this Part 2A. The SPAC is not an advisory client of the Firm.
- C. The Firm generally provides discretionary investment advisory services to the Funds. Each Fund has a specific investment focus. The offering materials and governing documents of each Fund set forth these specific guidelines and restrictions, which include, among other things, limits on the size, concentration, geography, and type of security of such Fund’s underlying portfolio investments. Investors in the Funds (the “Investors” or “Limited Partners”) do not have the ability to impose specific investment objectives or restrictions on the Funds.

The Firm is affiliated with entities that serve as the general partners of the Funds (the “GP Entities”), and each of the Funds is controlled by its respective GP Entity.

- D. The Firm does not participate in wrap fee programs.
- E. As of March 31, 2018, True Wind managed \$686,507,604 in regulatory assets under management on a discretionary basis<sup>1</sup> and \$0 on a non-discretionary basis.

#### **Item 5 – Fees and Compensation**

- A. The Firm is an SEC-registered adviser and will only deliver this brochure to “qualified purchasers” as defined in the Investment Company Act. Therefore, a description of the Firm’s compensation for advisory services has not been provided. Investors and prospective Investors should refer to each Fund’s respective offering and governing documents for a

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<sup>1</sup> The investment advice provided to the Funds is generally subject to the overall direction and control of the GP Entities, and therefore the Firm does not have ultimate investment discretion with respect to the assets of any Fund.

detailed description of the management fee paid by each Fund to True Wind (the “Management Fee”).

The GP Entity of a Fund also generally charges performance-based compensation, which is allocated by each Fund under the terms of its respective governing documents (the “Carried Interest Distribution”). Co-investment vehicles that are established by True Wind on a transaction by transaction basis and that invest alongside one or more Funds (“Co-Investment Vehicles”) are generally not required to pay a Management Fee or Carried Interest Distributions, provided that True Wind may charge Management Fees, Carried Interest Distributions and/or one-time funding fees in respect of Co-Investment Vehicles as True Wind determines in its sole discretion.

- B. The Firm charges each Fund a Management Fee in advance on quarterly basis, which is deducted directly from such Fund’s assets. The GP Entities of the Funds are generally entitled to Carried Interest Distributions, which are deducted as portfolio investments come to fruition and not on any set schedule.
- C. In addition to the Management Fee and the Carried Interest Distributions, each Fund bears its own operating expenses, including, but not limited to:
  - (i) expenses of tax advisors, accountants, legal counsel, auditors, consultants and other professionals and service provider;
  - (ii) all out-of-pocket fees, costs and expenses, if any, incurred in developing, investigating, negotiating, structuring, and disposing of portfolio investments and in connection with un consummated investment opportunities, including, without limitation, any financing, legal, accounting, advisory and consulting expenses in connection therewith;
  - (iii) broken deal expenses;
  - (iv) brokerage commissions, custodial expenses, agent bank and other bank service fees and other investment costs, fees and expenses actually incurred in connection with portfolio investments;
  - (v) expenses related to such Fund’s legal and regulatory compliance, including, without limitation, expenses incurred to register True Wind as an investment adviser under the Advisers Act and the maintenance of such registration, filings under the U.S. Securities Exchange Act of 1934, as amended (including Form 13F, Form 13H, Section 16 filings, Schedule 13D filings and Schedule 13G filings), any forms, schedules, filings, information or other documents prepared with respect to the Foreign Account Tax Compliance Act, reports to be filed with the U.S. Commodity Futures Trading Commission and reports, disclosures, filings and notifications prepared in accordance with the European Union Alternative Investment Fund Managers Directive;
  - (vi) travel, entertainment and related expenses in connection with a Fund’s investment activities (including airfare, lodging, ground transportation, travel and business meals);
  - (vii) expenses in connection with attending industry conferences and seminars;

(viii) expenses in connection with deal development and sourcing that are not related to a specific portfolio investment;

(ix) interest on and fees and expenses arising out of all borrowings made by the Funds;

(x) costs of any (a) litigation, (b) directors' and officers' liability, general partner liability and other insurance for the Funds, the GP Entities, True Wind and their affiliates, and (c) any indemnification or extraordinary expense or liability relating to the affairs of the Funds;

(xi) any taxes, fees or other governmental charges levied against the Funds and all expenses incurred in connection with any tax audit, investigation, settlement or review of the Funds;

(xii) organizational expenses and liquidation expenses;

(xiii) expenses of any meetings of the Limited Partners or the limited partner advisory committee; and

(xiv) expenses incurred in connection with complying with provisions in side letter agreements, including "most favored nations" provisions.

True Wind or its affiliates may receive certain fees from portfolio companies or prospective portfolio companies, such as directors' fees, "transaction" fees, "monitoring" fees, break-up fees or similar fees, in connection with activities performed on behalf of the Funds, and in some instance such fees paid to True Wind, net of expenses related to the activities leading to the receipt of such fees, will reduce the Management Fee paid by the Funds.

The Co-Investment Vehicles generally will not be allocated any expenses with respect to proposed investments that are ultimately not made. Accordingly, all broken deal expenses attributable to the portion of a proposed investment that would have been allocated to Co-Investment Vehicles generally will be borne by the Funds alongside which such Co-Investment Vehicle would have participated.

Travel and entertainment expenses in connection with a trip taken by employees of True Wind for purposes of multiple matters will generally be allocated to each such matter based on the time spent for each matter or other fair and reasonable manner and then the resulting expenses will be allocated to the Funds and/or True Wind as otherwise set forth herein.

Contributions for Fund expenses and organizational expenses will reduce Limited Partners' unfunded commitments but may, to the extent Limited Partners receive subsequent distributions, be added to unfunded commitment and be subject to recall. To the extent that the Limited Partners or the Funds are required to pay any placement fees or commissions, the Management Fee otherwise payable will be reduced by a like amount.

Please refer to the relevant Fund's governing documents for a complete understanding of each Fund's fees and expenses. The information contained herein is a summary only and is qualified in its entirety by the relevant Fund's offering memorandum.

- D. The Funds are generally required to pay a Management Fee quarterly in advance, as specified in the Funds' governing documents. In the event that True Wind or its affiliates do not provide services for the full quarterly period, the Management Fee is prorated for the partial period. The proration of fees is calculated based on the number of days remaining in the applicable period (based on a 365-day year), and it is the Firm's policy to return the Management Fee on a prorated basis if a management agreement between the Firm and the Fund is terminated.

Carried Interest Distributions are not paid in advance.

- E. Neither True Wind nor any of its supervised persons accepts compensation from the sale of securities or other investment products.

#### **Item 6 – Performance-Based Fees and Side-By-Side Management**

The GP Entities are entitled to receive performance-based compensation in the form of Carried Interest Distributions. Carried Interest Distributions are generally based on cumulative net profits from realized investments, subject to first returning invested capital plus a preferred return to Limited Partners and reimbursement of fees and expenses paid by the Funds, as specified in each Funds' governing documents.

Carried Interest Distributions are intended to align the interests of the GP Entities and the Investors. However, Carried Interest Distributions may also create an incentive for the Firm to recommend to the Funds investments that are riskier or more speculative than those which would be made under a different fee arrangement. The Firm's investment professionals have invested material amounts in the Funds, which should reduce such incentive. In addition, the Firm has implemented policies for approving investments that are intended to ameliorate these potential conflicts associated with performance-based fees.

#### **Item 7 – Types of Clients**

True Wind provides investment advice to the Funds, which are pooled investment vehicles, organized as limited partnerships that are exempt from registration under the Investment Company Act. The Funds only accept investors that meet the criteria of each of: (i) "accredited investor" (as defined in Rule 501 of Regulation D under the U.S. Securities Act of 1933, as amended (the "Securities Act")), (ii) "qualified client" (as defined in Rule 205-3 of the Investment Advisors Act of 1940 (the "Advisers Act")), and (iii) "qualified purchaser" (as defined in Section 2(a)(51) of the Investment Company Act).

#### **Item 8 – Methods of Analysis, Investment Strategies and Risk Factors**

- A. True Wind's strategy is to invest in primarily lower middle market companies, focusing on buyout and growth equity investments across the technology sector. The Firm is targeting businesses that offer differentiated products in attractive markets with compelling growth opportunities and a strong core franchise. True Wind will invest in companies where it can add value to strategy, talent, operations, and revenue opportunities.

Acquiring an interest in any Fund involves a number of risks. An investment in the Fund may be deemed a speculative investment and is not intended as a complete investment program.

It is designed for sophisticated investors and requires the financial ability and willingness to accept the high risks and lack of liquidity inherent in an investment in the Funds. No guarantee or representation is made that any Fund will achieve its investment objective or that Limited Partners will receive a return of their capital.

All investing involves a risk of loss and the investment strategies the Firm offers could lose money over short or even long periods. The risk factors listed below are a brief overview of some of the different market risks related to the Firm's investment strategies. A more complete description of applicable risks is available in the offering memorandum of each Fund.

B. Risk Factors:

No Assurance of Investment Return.

The Funds cannot provide assurance that they will be able to choose, make and realize investments in any particular company or portfolio of companies. There is no assurance that the Funds will be able to generate returns for their Investors or that the returns will be commensurate with the risks of investing in the type of companies and transactions described herein. There can be no assurance that expected returns for the Funds will be achieved, or that a Limited Partner will receive a return of its capital.

Business and Financial Risk.

The Funds' investment portfolio will consist primarily of securities issued by privately-held companies, and operating results in a specified period will be difficult to predict. Such investments involve a high degree of business and financial risk that can result in substantial losses.

Investment in Junior Securities.

The securities in which the Funds will invest may be among the most junior in a company's capital structure and, thus, subject to the greatest risk of loss. Generally, there will be no collateral to protect the Funds' investment once made.

Concentration of Investments.

The Funds may participate in a limited number of portfolio investments and, as a consequence, the aggregate return of the Funds may be substantially adversely affected by the unfavorable performance of any single investment. Moreover, since all of the Funds' investments cannot reasonably be expected to perform well or even return capital, for the Funds to achieve above-average returns, one or a few of its investments must perform very well. There can be no assurance that this will be the case. Furthermore, if the Funds co-invest with other private equity funds, a Limited Partner may have exposure to portfolio investments through more than one fund. In circumstances where the GP Entities intend to refinance all or a portion of the capital invested in a transaction, there will be a risk that such refinancing may not be completed, which could lead to increased risk as a result of the Funds having an unintended long-term investment as to a portion of the amount invested and/or reduced diversification.

Furthermore, the Funds' portfolio companies may be concentrated in the technology industry. Concentration in a single industry may involve risks greater than those generally



associated with more diversified investment fund, including significant fluctuations in returns. The technology industry is challenged by factors including rapid change, evidenced by rapidly changing market conditions and participants, new competing products, short product life cycles and improvements in existing products. The Funds' portfolio companies in the technology industry will compete in this volatile environment. Instability, fluctuation or an overall decline within the technology industry may not be balanced by investments in other industries not so affected. In the event that the technology industry as a whole declines, returns to Limited Partners will also decline.

#### Investing in Growth Technology Companies May be Risky and Volatile.

The Funds may invest in growth technology companies. These companies are often characterized by short operating histories, new technologies and products, evolving markets, intense competition and management teams that have limited experience working together. A portfolio company's ability to succeed will be dependent upon its ability to constantly evolve its business to be sure that its products keep pace with changing technologies and markets. In addition, a portfolio company will need to implement appropriate sales and marketing, inventory, finance, personnel and other operational strategies in order to become and remain successful. The Funds' returns will depend upon the GP Entities' ability to find and invest in companies that can successfully combine these strategies where products and markets are constantly evolving. There can be no assurance that the GP Entities' will find and invest in a sufficient number of these companies to meet investor return expectations. In addition, growth companies may be more susceptible to macroeconomic effects and industry downturns, including those resulting from acts of terrorism and war.

#### Risks in Effecting Operating Improvements.

In some cases, the success of a Fund's investment strategy will depend, in part, on the ability of such Fund to effect improvements in the operations of a portfolio company. The activity of identifying and implementing operating improvements at portfolio companies entails a high degree of uncertainty. There can be no assurance that such Fund will be able to successfully identify and implement such improvements.

#### Investments in Smaller Less Established Companies.

The Funds may invest a portion of their assets in the securities of smaller or less established companies. Portfolio investments in such smaller or less established companies may involve greater risks than generally are associated with investments in larger or more established companies. Smaller or less established companies tend to have lower capitalizations and fewer resources and, therefore, often are more vulnerable to financial failure.

#### Investments with Third Parties.

The Funds may co-invest with third parties, thereby acquiring non-controlling interests in certain portfolio companies. The Funds may not have control over these companies and, therefore, may have a limited ability to protect its position therein. Such investments may involve risks not present in investments where a third party is not involved, including the possibility that a third-party partner or co-investor may have financial difficulties resulting in a negative impact on such investment, may have economic or business interests or goals that are inconsistent with those of the Funds, or may be in a position to take action contrary to the Funds' investment objectives. In addition, the Funds may in certain circumstances be liable for the actions of its third-party partners or co-investors.

#### Minority Investments.

The Funds will often hold minority positions in portfolio companies with proportional board representation and, therefore, may have a limited ability to control various strategic decisions. While as a condition to an investment in a portfolio company, certain rights generally will be sought to protect the Funds' interests to the extent possible, these rights, when available, are generally in the nature of a veto versus the right to cause desired outcomes. There can be no assurance that the Funds will be able to obtain any such veto or similar rights. As a result, a Fund may not be able to cause a portfolio company to take actions which it believes would maximize the value of its investment or refrain from taking actions which it believes will impair the value of its investment.

#### Controlling Investments.

The Funds may own a significant portion of the securities of their portfolio companies, including ownership positions which may represent a majority of a portfolio company's voting securities. These investments may entitle a Fund to elect substantially all of a portfolio company's directors and exert significant influence over a portfolio company's business, operations, affairs and transactions. These capabilities could lead the Funds to be viewed as controlling a portfolio company or being considered a controlling stockholder. As a result, the Funds may be exposed to claims, lawsuits or investigations by minority stockholders, creditors, government or regulatory authorities or other persons. In the event any such claims were successful, the Funds may be held liable for any damages that are awarded or be required to fund any settlement with such parties. Even if such claims, lawsuits or investigations prove to be without merit, the Funds may be required to expend significant resources defending itself and its affiliates. In addition, a Fund's reputations and goodwill may be harmed if it is considered a controlling stockholder of a portfolio company that is subject to negative publicity.

#### Special Purchase Acquisition Companies

The Funds may invest in the securities of a special purpose acquisition company (a "SPAC"). A SPAC is a company that has no operations, but intends to merge with, acquire or otherwise invest in another company. Investing in such securities involves considerations not usually associated with investing in securities of other types of companies, including, among other risks, the risk that a SPAC may not complete an investment in another company and be forced to liquidate its assets at a loss to the Funds.

#### Unspecified Investments.

A purchaser of an Interest in a Fund must rely upon the ability of the applicable GP Entity and True Wind to identify, structure and implement portfolio investments consistent with such Fund's investment objectives and policies. Such Fund may be unable to find a sufficient number of attractive opportunities that meet its investment objectives.

#### Competition for Investments.

A Fund will encounter competition from other entities having similar investment objectives. Potential competitors include other investment partnerships and corporations, strategic industry acquirers and other financial investors, including hedge funds, investing directly or through affiliates. Further, over the past several years, an ever-increasing number of private equity funds have been or are being formed (and many existing funds have grown in size).

Additional funds with similar investment objectives may be formed in the future by other unrelated parties. Some of these competitors may have more relevant experience, greater financial resources, a greater willingness to take on risk, and more personnel than True Wind, the applicable GP Entity, such Fund and their affiliates. The competition for appropriate investment opportunities may increase, which may also require such Fund to participate in auctions, the outcome of which cannot be guaranteed, thus reducing the number of investment opportunities available to such Fund and/or adversely affecting the terms upon which portfolio investments can be made. Participating in auctions may also increase the pressure on the Fund with respect to pricing of a transaction. There can be no assurance that a Fund will be able to locate, complete and exit investments which satisfy such Fund's objectives, or that it will be able to invest fully its committed capital. To the extent that a Fund encounters competition for investments, returns to Limited Partners may decrease.

#### Reliance on Portfolio Company Management Teams.

Each portfolio company's day-to-day operations will be the responsibility of such company's management team. Although the applicable GP Entity and True Wind will be responsible for monitoring the performance of each portfolio investment and such Fund seeks to invest in companies operated by strong management, there can be no assurance that the existing management team, or any successor, will be able to operate such portfolio company successfully.

#### Illiquid and Long-Term Investments.

Investment in the Funds require a long-term commitment with no certainty of return. There most likely will be little or no near-term cash flow available to the Limited Partners. Many of the portfolio investments will be highly illiquid and there can be no assurance that the Funds will be able to realize returns on such portfolio investments in a timely manner. Consequently, dispositions of such portfolio investments may require a lengthy time period or may result in distributions in kind to the Limited Partners. While a portfolio investment may be sold at any time, it is not generally expected that this will occur for a number of years after the portfolio investment in a portfolio company is made. The Funds will generally acquire securities that cannot be sold except pursuant to a registration statement filed under the Securities Act, or in a private placement or other transaction exempt from registration under the Securities Act. In some cases, the Funds may be prohibited by contract from selling certain securities for a period of time. Even where the Fund holds freely tradable publicly traded securities, the Funds' position may represent a significant portion of the outstanding public float of a particular company, creating a degree of illiquidity when the Fund wishes to dispose of or reduce its position in such company by selling shares into the market.

#### Use of Leverage.

While portfolio investments in leveraged companies offer the opportunity for capital appreciation, such portfolio investments also involve a higher degree of risk. The Funds' portfolio investments may involve varying degrees of leverage, as a result of which recessions, operating problems and other general business and economic risks (as well as particular risks associated with investing in lower middle-market technology companies described above) may have a more pronounced effect on the profitability or survival of such companies. Moreover, any rise in interest rates may significantly increase a portfolio company's interest expense, causing losses and/or the inability to service debt levels. If a portfolio company

cannot generate adequate cash flow to meet debt obligations, the Funds may suffer a partial or total loss of capital invested in the portfolio company.

#### Financial Market Fluctuations.

General fluctuations in the market prices of securities may affect the value of the portfolio investments held by the Funds and may reduce the availability of attractive investment opportunities for the Funds. Instability in the securities markets may also increase the risks inherent in the Funds' portfolio investments. The ability of portfolio companies to refinance debt securities may depend on their ability to sell new securities in the public high-yield debt market or otherwise. Moreover, to the extent that such marketplace events occur, they may have an adverse impact on the availability of credit to businesses generally and could lead to an overall weakening of the U.S. and global economies. Such an economic downturn could adversely affect the financial resources of corporate borrowers in which the Funds have invested and result in the inability of such borrowers to make principal and interest payments on outstanding debt when due. In the event of such defaults, the Funds may suffer a partial or total loss of capital invested in such companies, which could, in turn, have an adverse effect on the Funds' returns. Such marketplace events also may restrict the ability of the Funds to sell or liquidate investments at favorable times or for favorable prices and may negatively impact potential buyers of the Funds' portfolio investments. Additionally, the Funds may be required to pay break-up, termination or other fees or expenses even if the Fund is willing to close on an investment if it is ultimately unable to close on such investment due to a lender's unwillingness to provide previously committed financing.

#### Contingent Liabilities Upon Disposition.

In connection with the disposition of a portfolio investment, the Funds may be required to make representations about the business and financial affairs of the portfolio company typical of those made in connection with the sale of any business and may be responsible for the content of disclosure documents under applicable securities laws. It may also be required to indemnify the purchasers of such portfolio investment or underwriters to the extent that any such representations or disclosure documents turn out to be inaccurate. These arrangements may result in contingent liabilities, which shall be borne by the Funds.

#### Investments in Public Companies.

The Funds may make investments in the securities of portfolio companies that have gone public and in the securities of other publicly traded companies. Such public company securities may be thinly traded, relatively illiquid or may cease to be publicly traded after the Funds invest. Such investments may also be in "PIPE" (private investments in public equity) investments that the Funds will generally not be able to sell or distribute unless the securities are registered under applicable securities laws or an exemption from such registration is available. Such securities might not be publicly tradable and they may never become publicly tradable. In addition, since the Funds may take large ownership positions as part of PIPE transactions, even after the securities are saleable, it may take a significant period of time for them to be sold or distributed in an orderly manner during which time profit could have otherwise been realized or loss avoided, and in some cases the Fund may be prohibited by securities laws or by contract from selling such public company securities for a period of time. Restricted securities generally are difficult or impossible to sell at prices comparable to the market prices of similar securities that are publicly traded. In addition, the Funds' sales of thinly traded securities could depress the market value of such securities. These

circumstances or events could reduce the Funds' returns. Disposition of the Funds' public company investments may result in distributions in kind to Limited Partners. If the market price of the distributed securities decline rapidly after such distribution, Limited Partners may not be able to realize the full value of the securities at the time of distribution. General fluctuations in the market prices of securities may affect the value of the portfolio investments held by the Funds. Instability in the securities markets may also increase the risks inherent in the Funds' portfolio investments.

#### Legal, Tax and Regulatory Risks.

Legal, tax and regulatory changes could occur during the term of the Funds that may adversely affect the Funds, its portfolio companies or Limited Partners. The Funds may invest in portfolio companies that operate in a highly regulated environment and are subject to extensive legal and regulatory restrictions and limitations and to supervision, examination and enforcement by regulatory authorities. New and existing regulations and burdens of regulatory compliance may directly impact the business and results of the operations of, or otherwise have a material adverse effect on, portfolio companies that are subject to regulation. Failure to comply with any of these laws, rules and regulations, some of which are subject to interpretation and may be subject to change, could result in a variety of adverse consequences, including civil penalties and fines, which may have material adverse effects.

#### Investments Longer Than Term.

The Funds may make investments which may not be advantageously disposed of, or have liabilities that may not be resolved, prior to the date that the Funds will be dissolved, either by expiration of the Funds' term or otherwise. Although the GP Entities expect that investments will be disposed of prior to dissolution or be suitable for in-kind distribution at dissolution and the GP Entities have a limited ability to extend the term of the Funds, the Funds may have to sell, distribute or otherwise dispose of investments or resolve litigation or other contingent liabilities at a disadvantageous time as a result of dissolution. In addition, although upon the dissolution of the Funds the GP Entities will be required to use its best efforts to reduce to cash and cash equivalents such assets of the Fund as the GP Entities shall deem it advisable to sell, subject to obtaining fair value for such assets and any tax or other legal considerations, there can be no assurances with respect to the time frame in which the winding up and the final distribution of proceeds to the Limited Partners will occur.

#### Cybersecurity Breaches and Identity Theft.

True Wind's and portfolio companies' information and technology systems may be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches, usage errors by their respective professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes. Although True Wind has implemented, and portfolio companies will likely implement, various measures to manage risks relating to these types of events, if these systems are compromised, become inoperable for extended periods of time or cease to function properly, True Wind, the Funds and/or a portfolio company may have to make a significant investment to fix or replace them. The failure of these systems and/or of disaster recovery plans for any reason could cause significant interruptions in True Wind's, the Funds' and/or a portfolio company's operations and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information relating to investors (and the beneficial owners of investors).

Such a failure could harm True Wind's, the Funds' and/or a portfolio company's reputation, subject any such entity and their respective affiliates to legal claims and otherwise affect their business and financial performance.

General Economic and Market Conditions.

The success of the Funds' investment activities will be affected by general economic and market conditions, as well as by changes in laws, currency exchange controls, and national and international political and socioeconomic circumstances. A sustained downturn in the U.S. or global economy (or any particular segment thereof) could adversely affect the Funds' profitability, impede the ability of the Funds' portfolio companies to perform under or refinance their existing obligations, and impair the Funds' ability to effectively exit its portfolio investment on favorable terms. Any of the foregoing events could result in substantial or total losses to the Funds in respect of certain portfolio investments, which losses will likely be exacerbated by the presence of leverage in a portfolio company's capital structure.

Line of Credit.

The Funds are typically parties to one or more subscription-based credit facilities and borrowings by the Funds under such facilities will generally be secured by the Funds' investors' capital commitments as well as by the Funds' assets, subject to certain limitations, and the terms of such facilities may provide that during the continuance of a default under such facilities, the interests and distributions of the Funds' investors may be subordinated to such facilities. Investors may be required to execute an investor acknowledgement for the benefit of the lenders under the subscription credit facility and may be required to acknowledge their obligations to pay their share of indebtedness up to their remaining commitment. Use of a subscription-based credit facility may result in a higher reported internal rate of return for a Fund than if the facility had not been utilized, and as a result of this and other factors (including that the interest rate on such borrowings is typically less than the rate of the preferred return (if any) and that such preferred return (if any) does not accrue on such borrowings, and only accrues on capital contributions when made) may present conflicts of interest and the general partner of a Fund may make distributions prior to the repayment of outstanding borrowings. As a result, use of such facilities or other long-term leverage arrangements with respect to investments may reduce or eliminate the preferred return (if any) received by investors in a Fund and provide the general partner of such Fund with an incentive to fund investments through long-term borrowings in lieu of capital contributions. Subject to the limitations in the governing documents of a Fund, the use of a subscription-based credit facility by such Fund is within the applicable general partner's discretion.

**Item 9 – Disciplinary Information**

In the past ten years, there have been no legal or disciplinary events involving either True Wind or any of its management persons that are material to the Firm's advisory business.

**Item 10 – Other Financial Industry Activities and Affiliations**

- A. Neither True Wind nor any of its management persons are registered, or have an application pending to register, as broker-dealers or registered representatives of a broker-dealer.

- B. Neither True Wind nor any of its management persons are registered, or have 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.
- C. The GP Entities are affiliates of True Wind. Pursuant to management agreements between the Funds and True Wind, the Firm provides investment advisory services to the Funds. The Funds are pooled investment vehicles managed by True Wind but controlled by the GP Entities. The GP Entities will be responsible for all ultimate decisions regarding transactions of the Funds and have full discretion over the management of the Funds' investment activities. The GP Entities are not separately registered as investment advisers with the SEC; True Wind will provide all investment advisory services to the Funds subject to the Advisers Act and the rules thereunder. In addition, employees and persons acting on behalf of the GP Entities are subject to the supervision and control of True Wind. Thus, the GP Entities and all of the persons acting on their behalf would be "persons associated with" the registered investment adviser so that the SEC could enforce the requirements of the Advisers Act on the GP Entities.

The GP Entities are affiliates of True Wind. As such, there may be occasions when the GP Entities and their affiliates may encounter potential conflicts of interest in connection with the Funds. If any matter arises that a GP Entity determines in its good faith judgment constitutes an actual conflict of interest, such GP Entity may take such actions as it determines in good faith may be necessary or appropriate to ameliorate the conflict (and upon taking such actions such GP Entity will be relieved of any liability for such conflict to the fullest extent permitted by law and shall be deemed to have satisfied its fiduciary duties related thereto to the fullest extent permitted by law). These actions include (i) disposing of the security giving rise to the conflict of interest, (ii) appointing an independent fiduciary to act with respect to the matter giving rise to the conflict of interest or (iii) consulting with the limited partner advisory committee regarding the conflict of interest and either obtaining a waiver from the limited partner advisory committee of such conflict of interest or acting in a manner, or pursuant to standards or procedures, approved by the limited partner advisory committee with respect to such conflict of interest.

- D. True Wind does not recommend or select other investment advisers for any Clients.
- E. True Wind sponsors a special purpose acquisition company, Nebula Acquisition Corporation (the "SPAC"), which is a publicly-traded "blind pool" entity that raises a pool of capital from public investors and looks to deploy that cash to acquire all or a part of a private (or potentially public) company. Special purpose acquisition companies are created and managed by a "sponsor" or "founder," an individual or group with expertise in sourcing and executing acquisition opportunities and/or operational experience in a particular industry (in this case True Wind).

The SPAC targets to invest in a business combination with total equity value in the \$500 million to \$2 billion range, although investments could fall outside this range. Given this is the SPAC's target size profile, which greatly exceeds that of other investments made by the Funds, the Firm believes that there would be no conflict when deciding to use the SPAC or capital from the Funds to make an investment, although both would potentially benefit investors. The SPAC is generally treated like any other portfolio investment.

## **Item 11 – Code of Ethics, Participation or Interests in Client Transactions and Personal Trading**

- A. True Wind has adopted a written Code of Ethics (the “Code”) designed to address and avoid potential conflicts of interest as required under Rule 204A-1 of the Adviser Act. The Code describes the Firm’s fiduciary duties and responsibilities to its Clients, requires that the Firm’s employees act in the best interests of the Firm’s Clients to the exclusion of contrary interests, act in good faith and in an ethical manner, avoid conflicts of interest with Clients to the extent reasonably possible, and identify and manage conflicts of interest to the extent that they arise. True Wind’s employees are also required to comply with applicable provisions of the federal securities laws and make prompt reports to the Firm or other appropriate party of any actual or suspected violations of such laws by True Wind or its employees. In addition, the Code sets forth formal policies and procedures with respect to the personal securities trading activities of True Wind’s employees. The Code prohibits employees from engaging in personal trading in reportable securities without prior consent of the Chief Compliance Office (or “CCO”); requires employees to provide duplicate brokerage accounts statements and electronic data feeds to the Firm on a quarterly basis; and requires employees to affirm to reportable securities holdings on a quarterly basis. The Code also includes policies and procedures to prevent the misuse and disclosure of material non-public information (“insider trading”) and other confidential information and policies and procedures addressing conflicts of interest; outside activities of employees; gifts and business entertainment, including limitations and reporting requirements; and pre-clearance and reporting of political contributions. True Wind will provide a complete copy of its Code to any Client, Investor or prospective Investor upon request.

The Firm or the Funds have and may in the future enter into agreements, or “side letters”, with certain prospective or existing Investors whereby such Investors may be subject to terms and conditions that are more advantageous than those set forth in a Fund’s offering memorandum and limited partnership agreement (or other applicable organizational documents). The modifications are solely at the discretion of the Firm and may, among other things, be based on the size of an Investor’s investment in a Fund. The Firm and the Funds generally have no obligation to disclose the details of these side letters to all the investors in the relevant Fund.

- B. Neither True Wind nor any related person recommends to Clients, or buys or sells on behalf of the Funds, securities in which the Firm or any related person has a material financial interest.
- C. Employees of True Wind may have a material investment in the Funds. Therefore, True Wind may be considered to participate in transactions effected for the Funds. True Wind does not believe this arrangement presents any material conflicts of interest since True Wind’s interests and its employees’ interests are aligned with the interest of investors in such Funds.
- D. Except to the extent described above, neither True Wind nor any related person recommends securities to the Funds, or buys or sells securities on behalf of the Funds, at or about the same time the Firm or any related person buys or sells the same securities for their own accounts.



## E. Miscellaneous

The GP Entities may, in their sole discretion, give certain investors an opportunity to co-invest in particular portfolio investments alongside the Funds. Potential co-investment participants include the GP Entities themselves, affiliates of the GP Entities (including their respective members, officers and employees), Limited Partners, members of the limited partner advisory committee, certain executives, advisors, strategic investors, lenders, consultants and others. The terms of any such investment, including the fees or carried interest applicable to such co-investment, if any, will be determined by the GP Entities on a case-by-case basis in their sole discretion. No Co-Investment Vehicles controlled by the GP Entities will provide for a management fee or carried interest more favorable to the GP Entities and True Wind without the prior approval of the limited partner advisory committee. Additionally, any Co-Investment Vehicles controlled by a GP Entity will not be permitted to sell or otherwise dispose of any co-investment prior to the sale or disposition by the Fund of a like proportion of its position and only then on the same terms and conditions, to the extent practicable, as the Fund's sale or disposition.

The appropriate allocation among Funds and co-investors of expenses and fees generated in the course of evaluating potential investments which are not consummated, such as out-of-pocket fees associated with due diligence, attorney fees and the fees of other professionals, will be determined by True Wind and its affiliates in their good faith discretion, consistent with the governing documents of the Funds, as applicable. As Co-Investment Vehicles are only created on a deal by deal basis, and would generally not have been established were an investment not consummated, such fees and expense would not be allocated to such a Co-Investment Vehicle. Were a co-sponsor to participate in an unconsummated potential investment opportunity, typically such co-sponsor would bear its share of such fees and expenses based on the anticipated investment by such co-sponsor.

In exercising its discretion to allocate investment opportunities and fees and expenses, True Wind may be faced with a variety of potential conflicts of interest. For example, in allocating an investment opportunity among Funds with differing fee, compensation or expense structures, True Wind may have an incentive to allocate investment opportunities to clients from which True Wind or its affiliates may derive, directly or indirectly, a higher fee, compensation or other benefit. With respect to allocating other expenses among Fund(s), including Co-Investment Vehicles, and/or third parties, as appropriate, to the extent not addressed in the governing documents of a Fund, True Wind will make any such allocation determination in a fair and reasonable manner using its good faith judgment, notwithstanding its interest (if any) in the allocation. Generally, certain fees and expenses that are not specifically related to a Co-Investment Vehicle or to an investment made by a Co-Investment Vehicle are payable by the Funds other than Co-Investment Vehicles and not the Co-Investment Vehicles themselves; however, post-closing expenses that are specifically related to a deal and that benefit co-investors would generally be allocated pro rata among the Fund(s) and any Co-Investment Vehicles. True Wind will make any corrective allocations and take any mitigating steps if it determines such corrections are necessary or advisable.

The fair value of all investments or of property received in exchange for any investments will be determined by the general partner of a Fund in accordance with the applicable organization documents of such Fund. Accordingly, the carrying value of an investment may

not reflect the price at which the investment could be sold in the market, and the difference between carrying value and the ultimate sales price could be material. The valuation of investments will, under certain circumstances, affect the amount of management fees payable to True Wind. The valuation of investments may also affect the ability of True Wind to raise successor funds to the Funds. As a result, there may be circumstances where the general partner of a Fund is incentivized to determine valuations that are higher than the actual fair value of investments.

The investors in the Funds may have conflicting investment, tax and other interests with respect to their investments in such Funds. The conflicting interests of individual investors may relate or arise from, among other things, the nature of investments made by the Funds, the structuring or the acquisition of investments and the timing of disposition of investments. As a consequence, conflicts of interest may arise in connection with the decisions made by the general partner of a Fund, including with respect to the nature or structuring of investments that may be more beneficial for one investor, including such general partner, than for another investor, especially with respect to investors' individual tax situations. In selecting and structuring investments appropriate for the Funds, the general partners of the Funds will consider the investment and tax objectives of the Funds and its investors as a whole, not the investment, tax or other objectives of any investor individually. In addition, the interests held by a relatively small number of investors may be significantly larger than those held by other investors which could have a material impact on the outcome of matters requiring investor consent or approval.

Cybersecurity incidents and cyber-attacks have been occurring globally at a more frequent and severe level and will likely continue to increase in frequency in the future. The information and technology systems of True Wind, the Funds and their respective portfolio companies may be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches, usage errors by their respective professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes. Although True Wind has implemented various measures to manage risks relating to these types of events, if these systems are compromised, become inoperable for extended periods of time or cease to function properly, the Funds and/or their investments may have to make a significant investment to fix or replace them. The failure of these systems and/or of disaster recovery plans for any reason could cause significant interruptions in True Wind's, the Funds' and/or their respective portfolio companies' operations and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information relating to investors (and the beneficial owners of investors). Such a failure could harm True Wind's reputation, subject True Wind or the Funds to legal claims and otherwise affect their business and financial performance.

The general partner of a Fund will enter into side letters or other similar agreements with certain investors in connection with their admission to such Fund without the approval of any other investor. Such side letters or other similar agreements will alter and/or supplement the terms of such Fund's governing documents in a manner that makes the terms applicable to such investors more favorable than those applicable to other investors. Such rights or terms in any such side letter may include, without limitation, (i) excuse rights applicable to particular investments; (ii) reporting obligations of the applicable general partner; (iii) waiver of certain

confidentiality obligations; (iv) consent of the applicable general partner to certain transfers by such investor; (v) special rights with respect to co-investment; (vi) rights or terms necessary in light of particular legal, public policy or regulatory characteristics of an investor; (vii) potential mandatory waivers of compensation as a result of certain violations of law with regard to public pension plan investors; (viii) additional obligations and restrictions of the general partner and a Fund with respect to the structuring of any particular investment in light of the legal, tax and regulatory considerations of particular investors; (ix) agreements to assist with the applicable tax filings and (x) certain obligations and restrictions on the applicable general partner with respect to the exercise of its discretion on certain matters.

#### **Item 12 – Brokerage Practices**

- A. At this time, True Wind does not engage in “soft dollar” arrangements with broker-dealers. True Wind does not typically consider Client referrals when selecting or recommending a broker or dealer. Moreover, True Wind does not typically engage in directed brokerage. Where True Wind determines to utilize a broker or a dealer to transact on behalf of Clients, it shall evaluate such broker or dealer based on a range of factors, including without limitation commission price, willingness to commit capital, and ability to execute the desired transaction.
- B. The Firm’s Clients invest primarily in private placement securities that are not offered or transacted through a broker-dealer. In limited circumstances the Funds may invest in publicly-traded or other securities, which trades may be entered and executed through one or more broker-dealers.

#### **Item 13 – Review of Accounts**

- A. The Firm, on a periodic basis, reviews the holdings of the Funds. Members of the investment committee meet to review the status of holdings of the Funds, their associated valuations, investment strategy, capital reserve needs, and projected cash flows of the holdings. These periodic portfolio reviews contribute to the overview of the portfolio that is delivered to the Investors.
- B. Except as specified above, the Firm does not utilize any specific criteria to trigger a review of Client investments at this time.
- C. True Wind provides investors with periodic reports in accordance with the applicable Fund’s limited partnership agreement. Generally, these reports include: quarterly financial reports, which include investor statements showing individual account values; annual financial reports, which include audited financial statements; and other reports that the Firm deems appropriate from time to time or as may be reasonably be requested by the investors.

#### **Item 14 – Client Referrals and Other Compensation**

- A. True Wind receives no economic benefit for providing investment advice or other services to the Clients other than the fees payable by the Clients to the Firm as described in the offering memorandum of each Fund.

The Firm or its employees may receive certain fees from portfolio companies, such as directors' fees, "transaction" fees, "monitoring" fees or non-cash compensation, in connection with activities performed on behalf of the Funds. Generally, 100% of such fees paid to the Firm or an employee of the Firm, net of expenses related to the activities leading to the receipt of such fees, will reduce the Management Fee paid by Limited Partners.

- B. In the past, True Wind has retained third party placement agents for referring investors to the Funds and True Wind may retain placement agents again in the future. When True Wind chooses to retain placement agents, any fees paid to such placement agents by the Funds offset the Management Fee payable by Limited Partners with respect to such Fund on a dollar for dollar basis.<sup>2</sup>

#### **Item 15 – Custody**

The Firm believes that it would generally be viewed by regulators as having custody of the assets of the Funds for which it or a GP Entity serves as general partner, or temporary receipt of assets under Rule 206(4)-2 of the Advisers Act (the "Custody Rule"). Accordingly, the Firm and the GP Entities intend to adhere to the applicable requirements of the Custody Rule with respect to each Fund for which True Wind or a GP Entity serves as general partner or managing member. The Chief Compliance Officer will be responsible for arranging for the annual independent audits of the Funds by an independent auditor in accordance with generally accepted accounting principles and for delivery of the Funds' audited financial statements to investors within 90 days of the Funds' fiscal year end.

#### **Item 16 – Investment Discretion**

The Firm and/or the affiliated GP Entities accept discretionary investment authority for each Fund and are authorized on behalf of the Funds to make all decisions concerning acquiring, holding and disposing of investments, including directing the formulation of investment policies and strategies of the Funds. This discretion is subject only to the investment guidelines set forth in the Funds' governing documents.

#### **Item 17 – Voting Client Securities**

- A. In the event that the Firm and/or the affiliated GP Entities are presented with an opportunity to vote a proxy, the Firm's general policy is to vote proxies in accordance with the best interest of the Funds. The Firm and/or the affiliated GP Entities generally intend to vote proxies in line with company management. However, under certain circumstances when the Firm and/or the affiliated GP Entities believe that company management's proposal will not maximize value for the Funds, the Firm and/or the affiliated GP Entities intend to vote against company management's recommendations. The Funds' proxy voting record is also available to Limited Partners upon request by contacting the Firm at (415) 780-9975.
- B. This Item is not applicable, as the Firm and/or the GP Entities will handle all proxies and solicitations on the Funds' behalf.

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<sup>2</sup> To conform to placement agent disclosures in Part 1.

**Item 18 – Financial Information**

- A. This is not applicable to True Wind, as the Firm does not require or solicit prepayment of more than \$1,200 in fees per Client, six months or more in advance.
- B. The Firm does not believe that any such reasonably likely financial conditions exist; however, Investors should carefully review the risks factors disclosed in Item 8 of this document and contained in the offering documents of the Funds for a discussion of potential financial conditions and other risks that could negatively impact the Funds, the Firm, or the Firm's ability to meet its or the Funds' contractual commitments.
- C. True Wind has not been the subject of a bankruptcy petition at any time during the past ten years.

**Item 19 – Requirements for State Registered Advisers**

This item is not applicable to True Wind as the Firm is not registered with one or more state securities authorities.