

**Form ADV Part 2A • Firm Brochure**

**SP INVESTMENTS MANAGEMENT, LLC**

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This Brochure provides information about the qualifications and business practices of SP Investments Management, LLC (“SPIM”, the “Firm”, “we”, “us” or “our”). If you have any questions about the contents of this Brochure, please contact us at (650) 492-6869. 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.

SPIM is a SEC registered investment adviser. Registration of an investment adviser with the SEC does not imply any level of skill or training.

Additional information about SPIM is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Item 2 – Material Changes**

This section describes the material changes to SP Investments Management, LLC's Brochure since its last amendment on January 16, 2019.

- Item 10 – updated descriptions of financial industry affiliates to identify additional affiliates potential conflicts of interest

We will provide ongoing disclosure about additional material changes as such changes arise. Our brochure may be requested, free of charge, by contacting our Chief Compliance Officer, Kyle Wirth, at (650) 873-8111 or [kwirth@sharespost.com](mailto:kwirth@sharespost.com).

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## **ITEM 4 – ADVISORY BUSINESS**

### **INTRODUCTION**

SP Investments Management, LLC (“SPIM”), an investment adviser registered with the Securities and Exchange Commission (the “Commission” or “SEC”), was founded in 2010. SPIM is organized as a Delaware limited liability company headquartered in Menlo Park, California. SharesPost, Inc. (“SharesPost”) is the sole owner and member of SPIM. SharesPost is owned by Greg B. Brogger, Brighthouse, Inc., and other investors.

### **ADVISORY BUSINESS**

SPIM advises SharesPost 100 Fund (the “SP100 Fund”), an SEC registered investment company, and SP 100 Special Opportunity Fund LLC, a Delaware limited liability company (the “Special Opportunity Fund”), and may in the future advise additional funds managed by SPIM following the same investment strategy as the SP100 Fund (such future funds, together with the Special Opportunity Fund, the “SO Funds”). The SP100 Fund and the SO Funds are collectively referred to herein as the “Investment Vehicles” or “Clients.” SPIM provides investment management services to the Investment Vehicles, which invest in the securities of private companies. For purposes of this brochure, SPIM considers its clients to be the Investment Vehicles, and not the Investment Vehicles’ investors (the “Investors”).

The SP100 Fund is a Delaware statutory trust registered under the Investment Company Act of 1940, as amended (the “Investment Company Act”), as a non-diversified, closed-end, management investment company that is operated as an interval fund. Investors invest in the SP100 Fund (the “Fund Investors”) by purchasing shares of beneficial interest of the Fund (the “SP100 Fund Shares”).

The SO Funds are, or will be, Delaware limited liability companies, managed by SPIM, in which persons who are admitted as a member of a particular SO Fund (“Members”) make a contribution to the capital of the SO Fund (“Capital Contribution” and “Member’s Initial Capital Contribution”) in exchange for membership units in such SO Fund (“Membership Units”).

The governing documents for the SP100 Fund are its Agreement and Declaration of Trust and its Bylaws, each of which are attached as exhibits to the SP100’s Registration Statement on Form N-2, which is filed with the SEC and includes the SP100 Fund’s Prospectus and Statement of Information (all of the aforementioned documents, including exhibits to the Registration Statement, are referred to herein as the “SP100 Fund Documents”).

The governing documents for each SO Fund are (or will be) a Certificate of Formation and a Limited Liability Company Operating Agreement (each, an “SO Fund Agreement”). Membership Units in SO Funds are, or will be, offered to Investors in private placements made in reliance of the exemption contained in Regulation D (“Regulation D”) promulgated under the Securities Act of 1933, as amended (the “Securities Act”). Each such Investor in an SO Fund must be an “accredited investor”, as such term is defined in Rule 501 of Regulation D (“Accredited Investor”), and a “qualified client”, as such term is defined in Rule 205-3(d)(1) under the Investment Advisers Act of 1940, as amended (the “Advisers Act”) (“Qualified Client”).

The SP100 Fund Documents and the SO Fund Agreements are referred to herein collectively as the “Investment Vehicle Documents.” SPIM shall deliver this Brochure to each Investor in an SO Fund.

The Investment Vehicles will be investing primarily in the equity securities of certain private, late-stage, growth, venture-backed companies (the “Issuers”) and will generally hold such securities until a liquidity event occurs, such as an initial public offering (“IPO”) or a merger or acquisition transaction. SPIM has discretion to exit a particular investment and will typically do so only upon a liquidity event affecting the securities held by the Investment Vehicles.

#### **ASSETS UNDER MANAGEMENT**

As of February 28, 2019, SPIM managed approximately \$162.8 million on a discretionary basis and approximately \$0.2 million on a non-discretionary basis.

## ITEM 5 – FEES AND COMPENSATION

### COMPENSATION AND FEES; DEDUCTION OF FEES; TIMING OF PAYMENTS

SPIM charges the SP100 Fund an advisory fee of 1.90% of the average daily calculated NAV of the SP100 Fund (the “Advisory Fee”). Such Advisory Fee accrues daily and is deducted directly from the SP100 Fund assets under management quarterly in arrears. SPIM has contractually agreed to waive fees and/or reimburse expenses such that the total expenses of the SP100 Fund do not exceed 2.50% through May 1, 2020.

SPIM charges, or will charge, the SO Funds an annual service fee typically equal to one percent (1.0%) of the invested capital of each SO Fund (the “Service Fee”) and a one time set up fee (“Facility Fee”) of typically one percent (1.0%) of the invested capital. The Facility Fee will be charged to Investors at time of investment. The Service Fee is accrued ratably each year, net of the Facility Fee, and deducted by SPIM, to the extent accrued, from any distributions from such SO Fund to the Investors upon a liquidity event of an Issuer’s securities held by such SO Fund, as described below. In addition, SPIM may receive from the SO Funds a “carried interest” of ten percent (10%) on the gain of the SO Fund’s underlying securities at the time of distributions from each SO Fund to its Investors upon a liquidity event of an Issuer’s securities held by the SO Fund (such carried interest, a “Distribution Fee”), which qualifies as a performance-based fee as outlined in Item 6 and as described below (the Facility Fee, the Service Fee and the Carried Interest Fee are collectively referred to herein as the “SO Fund Fees”). It is important to note that SPIM can waive or reduce any SO Fund Fees in its sole discretion.

Upon a liquidity event of an Issuer’s securities held by an SO Fund, the Distribution Fee and the accrued Service Fee are deducted by SPIM prior to the distributions of all of the assets of the SO Fund to its Investors. SO Fund Fees and other compensation payable to SPIM may vary from SO Fund to SO Fund and may be different from the SO Fund Fees and compensation payable in respect of any prior or successor SO Fund. All Investors in a particular SO Fund are provided copies of the applicable SO Fund Agreement for complete information on the SO Fund Fees payable with respect to that SO Fund. Prospective investors should note that similar services may be available from other investment advisers for similar or lower fees.

Pursuant to the applicable SO Fund Agreement, the Service Fee and the Facility Fee will be used to cover operating and administrative expenses related to the operations of the relevant SO Fund, which may include audit fees, interest expense, due diligence expenses, other expenses incident to the purchase and sale of investments by such SO Fund, outside legal and accounting fees and other nonrecurring expenses. To the extent expenses (other than extraordinary expenses) are incurred by SPIM or services are provided to an SO Fund by SPIM, SPIM is compensated for providing these services through the Service Fee described above. Item 12 discusses SPIM’s practices for choosing brokers.

The annual Service Fee charged by SPIM for the SO Funds shall be usual and customary and shall at no time be more favorable for SPIM than the Advisory Fees charged by SPIM to the SP100 Fund. SPIM does not charge the SP100 Fund a Distribution Fee or Facility Fee.

Except as set forth above or otherwise in this Brochure or the Investment Vehicle Documents, SPIM accepts no compensation or commissions from third parties for the sale of securities or other investment products to its Investment Vehicles or the Investors.

SPIM does not participate in any wrap fee programs.

## **TERMINATION**

With regards to the SP100 Fund, SP100 Fund Investors can redeem SP100 Fund Shares through the SP100 Fund's quarterly repurchase offers of 5% of the outstanding SP100 Fund Shares. Effective May 1, 2015, the SP100 Fund waived any applicable repurchasing fee.

The SO Funds will not be subject to termination by the Investors. Services provided by SPIM to an SO Fund will terminate upon distribution of the all of the assets of an SO Fund to its Investors.

## **ITEM 6 – PERFORMANCE-BASED FEES**

SPIM is not entitled to receive any Distribution Fee with regards to the SP100 Fund.

SPIM may charge SO Fund Investors Distribution Fees because they are Qualified Clients, as described with regards to the Distribution Fee above in Item 5.

Investors in an SO Fund should be aware that a performance-based fee arrangement may create an incentive for SPIM to recommend investments which may be riskier or more speculative than those which would be recommended under a different fee arrangement.

## **ITEM 7 – TYPES OF CLIENTS**

As described in Item 4, SPIM's Clients are the Investment Vehicles: the SP100 Fund and any SO Fund.

There are no restrictions on the types of investors who may invest in the SP100 Fund, however, each share class of the SP100 Fund has different requirements for investment. The minimum investment for Class A shares of the SP100 Fund is \$2,500, plus any applicable sales load and shareholder service fee. The minimum investment for Class I shares of the SP100 Fund is \$1,000,000, and Class I shares are not subject to any sales load, service fee or distribution fee charges. The minimum investment for Class L shares of the SP 100 Fund is \$2,500, plus any applicable sales load, distribution fee and shareholder service fee.

SO Fund Investors will typically include high net worth individuals, trusts, family offices, and institutional investors. Each investor in an SO Fund must be (i) an Accredited Investor or (ii) a Qualified Client.

## **ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND MATERIAL RISKS**

### **INVESTMENT STRATEGIES**

The investment objective of the Investment Vehicles is capital appreciation. The investment strategy of the Investment Vehicles is to invest primarily in the equity securities of certain private, late-stage, growth, venture-backed companies (the "Issuers") and to hold such securities until a liquidity event occurs, such as an IPO or a merger or acquisition transaction. This is referred to as a "Buy and Hold" investment strategy. Upon the occurrence of a liquidity event with respect to a particular Issuer, it is SPIM's intention to sell the equity securities of such Issuer as soon as practicable or permitted thereafter. With regards to the SP100 Fund, proceeds

of such sales of equity securities will be reinvested into the Fund. With regards to an SO Fund, proceeds from such sales of equity securities, net of SO Fund Fees, will be distributed to the applicable SO Fund Investor.

The SP100 Fund seeks to invest a minimum of 80% of its net assets (plus any borrowing for investment purposes) in companies included on the SharesPost 100 List. The SharesPost 100 List is a list of 100 private, operating, late-stage, growth companies selected and maintained by SPIM.

Only after the SPIM Investment Committee has made its decision to pursue a purchase or sale opportunity in a given security on behalf of the SP100 Fund and the rationale for such decision has been documented by the SPIM Investment Committee and reviewed and approved by SPIM's Chief Compliance Officer (the "CCO"), may any SO Fund be permitted to pursue a purchase or sale opportunity in any additionally available interests or shares of such security.

The SP100 Fund and any SO Fund invest primarily in private company securities. In contrast to publicly traded securities, which are registered securities freely tradeable on public exchanges at readily available market prices, private company securities are not registered, are less liquid and have no publicly quoted market price which requires SPIM to make determinations of fair market value in accordance with its policies and procedures. See "Material Risks" described below.

#### **METHODS OF ANALYSIS**

SPIM uses the following methods of analysis in formulating its investment advice and/or managing Client assets:

***Fundamental Analysis.*** SPIM evaluates the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, comparable public companies and the financial condition of the Issuer itself as available).

***Qualitative Analysis.*** SPIM subjectively evaluates non-quantifiable factors such as quality of the Issuer's management and other factors not readily subject to measurement. A risk in using qualitative analysis is that SPIM's subjective judgment may prove incorrect.

***Risks for all forms of analysis.*** SPIM's securities analysis methods rely on the assumption that the information on companies whose securities SPIM purchases and sells, whether provided by the companies or obtained from other publicly available sources of information about these securities, is accurate and unbiased. While SPIM is alert to indications that data may be incorrect, there is always a risk that SPIM's analysis may be compromised by inaccurate or misleading information. Investment in securities entails risk of loss, which investors should be prepared to bear.

In all cases, SPIM will consider in its analysis the restrictions and intent of both the SP100 Fund and any SO Fund as set forth in the applicable Investment Vehicle Documents.

#### **MATERIAL RISKS**

Investing in securities of private companies, whether directly or through an investment in an Investment Vehicle, entails a significant degree of risk and, therefore, should be undertaken



only by investors capable of evaluating and bearing those risks. The Issuers that the SP100 Fund and an SO Fund invest in may not be financially successful or achieve liquidity through an exit event, including a public offering or acquisition of its securities, and an Investor in an Investment Vehicle may not receive a return of his, her or its capital. Historically, returns of investments in private companies have varied greatly, depending on the conditions at the time investments were made and subsequently exited. A potential investor should invest only if such investor is able to withstand a total loss of its investment.

Prospective investors are urged to carefully review the risk factors set forth in the relevant Investment Vehicle's Prospectus or Offering Memorandum, respectively. Prospective investors are further urged to consult their own legal, tax and financial advisers regarding the suitability, desirability and appropriateness of purchasing interests in an Investment Vehicle.

A prospective investor should also carefully consider the following risks prior to investing in the SP100 Fund or an SO Fund:

Long-term Purchases/"Buy and Hold". A risk in a "Buy and Hold" investment strategy is that the market price of securities may decline and that SPIM may not take advantage of the short-term gains that could be profitable to an Investor. With regards to both the SP100 Fund and the SO Funds, the private company securities will often be subject to lock-up provisions that prohibit SPIM from selling the equity investments into the public market for specified periods of time after an IPO, typically 180 days. As a result, the market price of the securities held by the SP100 Fund or an SO Fund may decline substantially before SPIM is able to sell such securities following an IPO.

Illiquidity of Investment Vehicle Investments. The SP100 Fund and the SO Funds intend to invest primarily in private company securities that are thinly traded and less liquid than other investments, or whose liquidity decreases in response to market developments or adverse investor perceptions. These securities may also be subject to "lock-up agreements" restricting their sale (for example the typical 180 days restriction on selling after an IPO, as detailed above). As a result, upon a liquidation event of an Issuer, the SP100 Fund or an SO Fund may not be able to sell securities of such Issuer when doing so would maximize returns. In addition, because private company securities are thinly traded, such securities may display especially volatile or erratic price movements, sometimes in response to relatively small changes in investor supply or demand or other market conditions. As a result, even if SPIM is able to sell such securities on behalf of the SP100 Fund or an SO Fund when it desires to do so, the SP100 Fund or the applicable SO Fund may have to accept a lower price than the price determined by the SP100 Fund or such SO Fund in accordance with their valuation procedures.

Unpredictability of Cash Flows. Neither SPIM nor any Investment Vehicle has any influence over distributions of cash or liquid securities received from any Issuer in which an Investment Vehicle is invested. Distributions are likely to be unpredictable and may occur earlier or later than anticipated or not at all. To the extent distributions are received at all, Investors should not expect a return of capital or any distributions for a significant period of time after his, her or its investment is made.

Illiquidity of SP100 Fund Shares. There is presently no market for the SP100 Fund Shares, which are highly illiquid and currently can only be sold by SP100 Fund Investors in the quarterly

repurchase program of the SP100 Fund. The SP100 Fund Shares have no history of public trading.

*Limited Market for Issuer Securities.* A limited market exists for the sale of an Issuer's securities held by the Investment Vehicles, and the transferability of those securities is generally restricted.

In the event that SPIM determines that it is in the best interest an Investment Vehicle to sell securities of a particular Issuer, or if SPIM distributes an Issuer's securities to Investors in an SO Fund, there may be no market through which such Issuer's securities may be sold, and even if there were such a market, the transfer of such Issuer's securities may be subject to significant legal and contractual restrictions, including federal and state securities laws and regulations.

In addition, if a distribution of an Issuer's securities to Investors in an SO Fund is made prior to the existence of a public market for such securities, the securities distributed would not be registered under federal securities laws or qualified under any state securities law. Any sale would be required to be made in reliance upon exemptions under those laws. Unless the Issuer's securities are registered with the SEC and any required state authorities, or an appropriate exemption from registration is available, Investors in an SO Fund who receive such Issuer's securities in a distribution from the SO Fund may be unable to liquidate those securities, even though their personal financial condition may dictate such liquidation. Moreover, the resale of any Issuer's securities following a distribution to Investors will generally be subject to Rule 144 of the Securities Act. Investors in an SO Fund intending to sell an Issuer's securities distributed to them by the SO Fund may be required to aggregate their sales with sales made by other Investors in such SO Fund for some period of time following the distribution of such securities by the SO Fund. Therefore, prospective investors who require liquidity in their investments should not invest in an SO Fund.

*Illiquidity of SO Fund Membership Units.* An SO Fund Investor's ability to transfer their Membership Units in an SO Fund is subject to contractual, legal and regulatory restrictions. An Investor in an SO Fund may not be able to transfer their Membership Units in such SO Fund at the time or at the price such Investor desires.

*Management of the Investment Vehicles.* As manager of each Investment Vehicle, SPIM makes decisions regarding their management. Investors have no right or power to take part in the management of any Investment Vehicle. No person should become an investor in an Investment Vehicle unless they are willing to entrust all aspects of the management of the Investment Vehicle to SPIM.

*No Control over an Issuer or its Future Valuation.* SPIM will not obtain representation on the board of directors or have any control over the management of any Issuer and the success of any Investment Vehicle's investment in an Issuer depends on the ability and success of the management of that Issuer, in addition to economic, market and other factors. Valuations may fluctuate considerably and the price paid for an Issuer's securities by an Investment Vehicle may bear limited or no relationship to future valuations of Issuer's securities in any market that may develop for such shares, whether private or public.

*Investor Expenses That Would Not Be Incurred through Direct Purchase of Issuer's Securities.* An investment in an Investment Vehicle, rather than a direct purchase of an Issuer's securities,

requires that investors pay certain fees, which would not otherwise be incurred by an Investor. An Investor may or may not be able to directly purchase Issuer's securities at a price and upon terms that would be more economically advantageous than the Investment Vehicle in which he, she or it invests.

*Limited Information About Issuers.* In secondary transactions, neither the underlying Issuer of securities held in any Investment Vehicle nor SPIM provide Investors with any information – financial, operating or otherwise – regarding the Issuer of the securities held by the Investment Vehicle, and very limited information about the Issuer and its performance, prospects for growth, success or a liquidity event is publicly available since no Issuer is a publicly reporting company or listed on any securities exchange. Therefore, decisions to invest in the Investment Vehicles must be made without certainty of Issuers' financial and operating data. Investors, therefore, must be aware that there is a risk that: (i) there are facts or circumstances pertaining to an Issuer the public and the Investor are not aware of, and (ii) publicly available information concerning the Issuer upon which the Investor relies may prove to be inaccurate, and, as a result of (i) or (ii), the Investor may suffer a partial or complete loss of its investment.

*No Assurance of Profit Distributions.* Issuers' securities held in an Investment Vehicle may not generate profits for an Investor. A return on investment will depend upon successful liquidity of an Issuer's securities held by the Investment Vehicle and thus, the ultimate value of any Investment Vehicle investment depends upon factors beyond SPIM's control.

There can be no assurance that the Investment Vehicles will be successful in purchasing or selling Issuers' securities or, if successful, that the value of the Issuers' securities will not be less than the price paid for such securities by the Investment Vehicle. As is true of any investment in illiquid assets where information regarding the Issuer may not be reliable and is limited, there is a risk that an investment in an Investment Vehicle will be lost entirely or in part. An investment in an Investment Vehicle is not a complete or diversified investment program and should represent only a small portion of a potential investor's portfolio.

*Limitation on Liability; Indemnification.* Each SO Fund Agreement provides (or will provide) that except for gross negligence or willful misconduct, neither SPIM nor its affiliates will be liable under such agreement for actions or omissions in managing such SO Fund. Each SO Fund Agreement also provides (or will provide) for indemnification of SPIM against certain losses provided that SPIM did not act in gross negligence or exhibit willful misconduct as well as advancement of expenses if SPIM were to be involved in a legal action, which resulted from SPIM's management of the applicable SO Fund.

*Potential Liability to Return Prior Distributions.* Under the Delaware Limited Liability Company Act, members of a limited liability company such as an SO Fund may be liable to return prior distributions made to them by an SO Fund in the event that such entity becomes insolvent subsequent to the date of such distributions.

## **ITEM 9 – DISCIPLINARY INFORMATION**

On March 14, 2012, SharesPost, Inc., ("SharesPost"), the sole shareholder of SPIM, and Mr. Greg B. Brogger ("Mr. Brogger"), the CEO of SharesPost, consented, without admitting or denying the findings contained therein, to an order (the "Order") accepting an offer of settlement (the

“Offer of Settlement”) with the SEC. The SEC alleged that SharesPost was engaging in the business of a broker-dealer for a period of time during 2010, but failed to register as a broker-dealer with the Commission, and that this conduct violated Section 15(a) of the Securities Act of 1934, as amended (the “Exchange Act”). Additionally, the SEC alleged that Mr. Brogger, while CEO of SharesPost, did not require SharesPost to register as a broker-dealer and caused SharesPost’s violation of Section 15(a) of the Exchange Act.

Pursuant to the Offer of Settlement, in which neither SharesPost nor Mr. Brogger admitted or denied any wrong doing, SharesPost and Mr. Brogger consented to the entry of the Order, which imposed the following remedial sanctions: (1) both SharesPost and Mr. Brogger would cease and desist from committing or causing any violations or future violations of Section 15(a); (2) SharesPost was censured; (3) SharesPost paid a civil monetary penalty in the amount of \$80,000; and (4) Mr. Brogger paid a civil monetary penalty of \$20,000.

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

Neither SPIM nor any of its management persons are registered futures commission merchants, commodity pool operators or commodity trading advisors.

##### **SHARESPOST RELATIONSHIPS**

SPIM is a wholly owned subsidiary of SharesPost, Inc. SPIM is also under common ownership and control with SharesPost Financial Corporation, Member FINRA/SIPC (“SPFC”), SharesPost Securities, LLC (“SPS”), a financial lender in California, and Celadon Capital Management, LLC (“CCM”), a manager that performance operational and administrative services to certain vehicles. In addition, SPIM is also under common ownership and control with the alternative trading system known as the SharesPost Trading Platform.

SPIM does not (a) maintain any compensation arrangements in connection with the services it provides to the Investment Vehicles that result in compensation paid to SPIM in addition to Advisory Fees/Service Fees paid by the Investment Vehicles and the Facility Fee and Distribution Fees paid by any SO Fund; (b) maintain other financial industry activities or affiliations, other than as set forth herein; or (c) participate in any Client transactions.

Certain inherent conflicts of interest arise from the activities of SPIM and its affiliates. SPIM will manage the Investment Vehicles, and its related parties will manage other businesses, including, without limitation, those associated with SharesPost, SPFC, SPS, CCM and the SharesPost Trading Platform. SPIM’s affiliates may execute transactions for other clients, which may seek to purchase and sell Issuer securities or securities of companies in which the Investment Vehicles seek to invest. Certain of SPIM’s affiliates administer investment vehicles, which hold securities of companies, including Issuers, but there are no plans to open additional investment vehicles. Each of SPIM, SPFC, SPS, CCM, each Investment Vehicle, SharesPost and the SharesPost Trading Platform are affiliated and related parties.

SPIM and related parties will seek to resolve any conflicts arising from their affiliation consistent with SPIM’s fiduciary duties in accordance with all compliance policies and procedures designed to address conflicts of interest with and among the Investment Vehicles. However, there is no assurance that any such conflicts will be resolved in a manner advantageous to a particular Investment Vehicle.

## ITEM 11 – CODE OF ETHICS

SPIM strives to foster and maintain a reputation for honesty, integrity and professionalism. We have a fiduciary duty to place the interests of our Clients and their Investors first. We have adopted a Code of Ethics (the “Code”) to assist SPIM personnel in understanding their obligations as fiduciaries. The Code applies to all officers, employees, and any other person who may provide services on behalf of SPIM and are subject to SPIM’s supervision and control (collectively, “Personnel”). SPIM’s Code incorporates the following general principles that all Personnel are expected to follow:

- The interests of SPIM’s Clients and their Investors always take precedence over personal interests.
- Personnel should not engage in any activity or action that brings into question their independence or judgment, or that allows them or their family to profit from relationships with Investors.
- All personal financial transactions must be conducted in a manner that, to the greatest extent possible, avoids any conflicts with SPIM’s Clients and their Investors.
- Information pertaining to Clients and Investors must be kept confidential.

In all instances, SPIM strives to execute its obligations to its Clients in a manner that it believes to be in the best interests of Investors.

Employees of SPIM may purchase SP100 Fund Shares upon approval from SPIM’s CCO or their designee. Personnel of SPIM may not purchase Membership Units in any SO Fund.

The Code places restrictions on personal trades by Personnel, including requiring that certain Personnel disclose their personal securities holdings and transactions on a periodic basis. SPIM maintains a restricted list of all Issuers whose securities are currently held by a Client. Personnel may not trade a financial instrument of an Issuer on the restricted list without prior approval from SPIM’s CCO or their designee.

On an annual basis, all Personnel must submit a signed statement to SPIM’s CCO stating that they have complied with SPIM’s Code, including its personal trading policies. The CCO or their designee reviews all reports submitted to ensure compliance with the personal trading policies described.

You can request a copy of our Code of Ethics by writing to SP Investments Management, LLC, 101 Jefferson Drive, Suite 234, Menlo Park, CA 94025, Attn: Chief Compliance Officer.

## ITEM 12 – BROKERAGE PRACTICES

SPIM is authorized, in certain circumstances, to exercise discretion as to the commission rates paid and the brokers or dealers chosen to handle securities transactions on behalf of the Investment Vehicles. As described in [Item 10](#), each of SPIM and SPFC are wholly owned subsidiaries of SharesPost, Inc. SPIM will comply with compliance policies and procedures designed to address these conflicts when selecting a broker for Client transactions, and will comply with its fiduciary duty in attempting to resolve any conflicts of interest that arise.

The SP100 Fund will not execute transactions for or on its own behalf through an affiliated broker, but as it is a substantial part of the SP100 Fund’s strategy to transact on the SharesPost

Trading Platform and other private market platforms (the “Platforms”), SPFC, its affiliated broker, might receive fees from the party opposite the SP100 Fund. In accordance with Section 17e-2 of the Investment Company Act, since the Platforms have characteristics of an exchange as defined on the Investment Company Act, the Board of Trustees of the SP100 Fund has adopted a policy that fees charged by SPFC to the party opposite the SP100 Fund shall not exceed the lower of the (i) median or (ii) the average commission charged by brokers not affiliated with SharesPost on the Platforms and as such will not be considered to be more than the usual and customary brokerages charges under the Investment Company Act.

SO Funds may execute transactions through SPIM’s affiliate, SPFC. If faced with the opportunity to execute transactions through SPFC or another broker, SPIM would consider several factors, including, the broker entities’ respective financial strength, reputation, execution, pricing, and service. At all times SPIM owes a fiduciary duty to its Clients to obtain best execution for transactions. SPIM believes that its relationship with SPFC helps it to execute securities transactions in such a manner that the total cost in each transaction is as favorable as possible under prevailing market conditions. However, SPIM’s relationship with SPFC, and the economic benefit SPFC will derive from transactions for the SO Funds, may present a conflict of interest. Because of these considerations, Investors in an SO Fund may pay a brokerage commission in excess of that which another broker might have charged for effecting the same transaction in recognition of the value of brokerage services provided by SPFC.

SPIM does not direct any Client transactions to any broker in return for products or research services and does not participate in any soft dollar arrangements. SPIM does not allow for directed brokerage by Clients.

#### **ITEM 13 – REVIEW OF ACCOUNTS**

SPIM reviews information relating to the securities and other property held by any SO Funds from time to time, but no less frequently than annually. Likewise, SPIM reviews information regarding the securities and other property held by SP100 Fund periodically, but no less frequently than monthly.

SPIM provides Investors with reports and statements sufficient to appropriately manage and monitor their investments in Investment Vehicles. SPIM makes and submits periodic reports to each Investor in an SO Fund, no less frequently than annually, detailing the performance of such SO Fund. SPIM also prepares periodic reports for the SP100 Fund Investors, no less frequently than quarterly, which detail the SP100 Fund performance. All Investors receive annual audited financial statements, as well as year-end information for United States tax filings.

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

SPIM has a contractual agreement with Morgan Stanley Smith Barney to act as a “solicitor” permitted by Rule 206(4)-3 of the Investment Advisers Act. Pursuant to this agreement SPIM will be paid compensation based on the assets under management. In accordance with the Rule, SPIM will provide all required written disclosures and documentation to its Clients.

Conversely, SPIM does not compensate any person for client referrals with regards to the SP100 Fund nor any SP Fund.

SPIM does not receive any economic benefit from third parties for providing services to the Investment Vehicles.

#### **ITEM 15 – CUSTODY**

With respect to the SP100 Fund, SPIM does not have custody of any Client cash or securities. UMB Bank National Association serves as the custodian for the SP100 Fund.

With respect to the SO Fund(s), SPIM may have custody of Client cash or securities.

The Investors in the Investment Vehicles will receive annual audited financial statements with respect to those Investment Vehicles in which they have invested.

#### **ITEM 16 – INVESTMENT DISCRETION**

Subject to the terms of the applicable Investment Vehicle Documents, SPIM has exclusive management and control over the day-to-day affairs of the Investment Vehicles. SPIM has discretion to exit a particular investment, subject to certain restrictions and obligations contained in the applicable Investment Vehicle Documents, and will typically do so only upon a liquidity event affecting the securities held by an Investment Vehicle.

#### **ITEM 17 – VOTING CLIENT SECURITIES**

The Investment Vehicles have delegated proxy-voting responsibility to SPIM. As such, SPIM may exercise voting rights in respect to securities held by the SP100 Fund and any SO Fund. Investors in the Investment Vehicles have no authority to vote in respect of securities held by the Investment Vehicles, or to direct the vote of with regards to securities held by the Investment Vehicles.

If SPIM exercises its voting rights, SPIM will vote in a prudent manner, considering the prevailing circumstances at the time and in a manner consistent with its voting policy and fiduciary duties to Investors in the relevant Investment Vehicle. Investors may obtain a copy of SPIM's voting policies and procedures upon request.

#### **ITEM 18 – FINANCIAL INFORMATION**

SPIM does not require prepayment of any fees for any of its Clients.

SPIM has never filed for bankruptcy and we are not aware of any financial condition that is expected to affect our ability to meet our contractual and fiduciary commitments to our Clients or to their Investors.

#### **ITEM 19 – REQUIREMENTS FOR STATE REGISTERED ADVISERS**

Not Applicable.