

**Item 1. Cover Page**

**Brochure of  
Cota Capital Management, LLC**

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This brochure provides information about the qualifications and business practices of Cota Capital Management, LLC (“**Cota Capital**”). If you have any questions about the contents of this brochure, please contact us at Telephone: (415) 689-5600 or pete@cotacapital.com. 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 Cota Capital also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**Item 2.           Material Changes**

Item 2 discusses only material changes to the Brochure since Cota's Capital's initial registration with the SEC on June 11, 2018.

Since the initial registration with the SEC, there have been no material changes to the information provided in this Brochure.

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#### **Item 4. Advisory Business**

Cota Capital was founded in 2014. Its founders and managing partners are Babak Poushanchi and Babak (“Bobby”) Yazdani. Cota Capital focuses on investing in technology companies, with an emphasis on modern software companies.

Cota Capital’s advisory services consist of identifying and evaluating investment opportunities, structuring, negotiating and making investments on behalf of its fund clients, managing and monitoring the performance of such investments and disposing of such investments.

Cota Capital provides investment advice to funds and SPVs (as defined below) (collectively, the “**Funds**”) that are exempt from registration under the Investment Company Act of 1940, as amended (the “**1940 Act**”) and whose securities are not registered under the Securities Act of 1933, as amended (the “**Securities Act**”).

As of December 31, 2018, Cota Capital had total discretionary regulatory assets under management of approximately \$310,937,920.

Although Cota Capital may manage additional client accounts in the future, as of December 31, 2018 it served as the investment adviser to the following Funds:

##### Growth Funds

Cota Capital manages the Cota Growth Fund, L.P., a Delaware limited partnership (the “**Growth Master Fund**”) and its feeder fund, the Cota Growth Offshore Fund, Ltd., an exempted company with limited liability under the laws of the Cayman Islands (the “**Growth Feeder Fund**,” and together with the Growth Master Fund, the “**Growth Funds**”). Cota Capital’s affiliate, Cota Capital GP, LLC, a Delaware limited liability company (the “**Cota Capital GP**”), serves as the general partner of the Growth Master Fund.

The Growth Master Fund is available for direct investment primarily by taxable U.S. investors that are “qualified purchasers” so that it can rely on section 3(c)(7) of the Investment Company Act of 1940, as amended (“**ICA**”). The Growth Feeder Fund is available for investment primarily by non-U.S. investors and U.S. tax-exempt investors that are “qualified purchasers” so that it also can be excluded from the definition of an “investment company” under ICA section 3(c)(7).

The Growth Funds invest primarily in publicly traded securities of technology companies, with an emphasis on modern software companies. Cota Capital invests on behalf of the Growth Funds principally, but not solely, in equity and equity-related securities that are traded publicly in U.S. and non-U.S. markets. Cota Capital is authorized, however, to enter into any type of investment transaction that it deems appropriate under the terms of the Growth Funds’ partnership or other account agreements, including investments in certain pre-IPO companies.

##### Initial Funds

Cota Capital manages the Cota Capital Master Fund, L.P., a Cayman Islands exempted limited

partnership (the “**Initial Master Fund**”), and its two feeder funds, the Cota Capital Offshore Fund, L.P., a Cayman Islands exempted limited partnership (the “**Initial Offshore Feeder**”), and the Cota Capital Institutional Partners, L.P., a Delaware limited partnership (the “**Initial U.S. Feeder**,” and together with the Initial Master Fund and the Initial Offshore Feeder, the “**Initial Funds**”). Cota Capital GP serves as the general partner of each of the Initial Funds.

The Initial U.S. Feeder is available for direct investment primarily by taxable U.S. investors that are “qualified purchasers” so that it can rely on ICA section 3(c)(7). The Initial Offshore Feeder is available for investment primarily by non-U.S. investors and U.S. tax-exempt investors that are “qualified purchasers” so that it also can be excluded from the definition of an “investment company” under ICA section 3(c)(7).

The Initial Funds were formed to invest primarily in the securities of technology companies, with an emphasis on modern software companies, with investments ranging from seed stage investments in the private market to investments in publicly traded securities. Cota Capital invests on behalf of the Initial Funds principally, but not solely, in public and private equity and equity-related securities in U.S. and non-U.S. markets. Cota Capital is authorized, however, to enter into any type of investment transaction that it deems appropriate under the terms of the Initial Funds’ partnership agreements.

#### Special Purpose Funds

From time to time Cota Capital forms and manages, on a transaction-by-transaction basis, special purpose vehicles to participate in investment opportunities, often alongside the Initial Funds. Cota Capital may also organize such vehicles to address specific tax, legal, business, accounting or regulatory-related issues that may arise in connection with a transaction or transactions. All of the vehicles described in this paragraph are referred to herein as “**SPVs**.” Unlike the Initial Funds or the Growth Funds, which do not limit Cota Capital’s investment discretion, Cota Capital is often limited to investing only in the securities relating to the particular transaction for which the SPV was organized.

#### General Matters

Cota Capital only manages assets on a discretionary basis. The investors in the Funds have no opportunity to select or evaluate any Fund investments or strategies. Cota Capital selects all Fund investments and strategies. Cota Capital may maintain idle cash or other short-term investments and is authorized to enter into any type of investment transaction that it deems appropriate under the terms of the Funds’ governing documents.

Cota Capital does not participate in wrap fee programs.

### **Item 5. Fees and Compensation**

#### Fees and Allocations

The Funds, and the investors in the Funds, are “qualified purchasers” as defined in ICA section

2(a)(51)(A). Therefore, information on how Cota Capital is compensated for its advisory services and its fee schedule is not included here. Cota Capital's compensation varies, and is disclosed in each Fund's confidential offering circular or private offering memorandum.

Cota Capital GP serves as the general partner of the Growth Master Fund and each Initial Fund. As general partner, Cota Capital GP deducts management fees directly from the Growth Master Fund and the Initial Master Fund, which it has assigned to Cota Capital, and is allocated performance-based profits. Investors pay these management fees and performance allocations directly and indirectly through their investments in the Growth Funds or the Initial Funds.

For each Growth Fund and Initial Fund, management fees are deducted in advance for each fiscal quarter. Performance allocations are allocated at the end of each fiscal year or at the time of an investor's withdrawal or redemption. Generally, if a Growth Fund or Initial Fund terminates or an investor withdraws or redeems, the investor bears expenses, the management fees and performance allocations through the date of termination, withdrawal or redemption. If an investor withdraws or redeems from a Growth Fund or Initial Fund before the last day of a fiscal quarter, however, there is no refund to that investor of any management fee that it previously paid for the applicable fiscal quarter.

While the terms of each SPV may vary, Cota Capital expects that the SPVs will often not pay management fees, and will only make performance allocations on a realization event. The compensation paid by each SPV to Cota Capital and its affiliates will be disclosed in such SPV's governing documents.

Cota Capital may provide certain investors special fee and allocation arrangements that it does not provide to other investors. Cota Capital may waive all or any portion of the management fees or performance allocations with respect to any investor.

Cota Capital complies with Rule 205-3 under the Investment Advisers Act of 1940, as required. Performance allocations may create an incentive for Cota Capital to make more risky and speculative investments than it would otherwise make.

Cota Capital believes that its fees are competitive with fees charged by other investment advisers for comparable services. Comparable services may be available, however, from other sources for lower fees.

### Expenses

Each Fund is responsible for its own costs and expenses, including investment and trading costs and expenses (such as deal-related fees of professional advisors (such as attorneys), brokerage commissions, and clearing and settlement charges), ongoing legal, accounting, bookkeeping, professional, expert and consulting fees and expenses, and the fees and expenses charged by the Funds' administrator for its accounting, bookkeeping and other services. Cota Capital and Cota Capital GP each bears its own operating, general, administrative and overhead costs and expenses, other than the expenses described above. Securities brokerage firms that execute securities trades for the Growth Master Fund or the Initial Master Fund, however, may pay part of these costs and

expenses as discussed in Item 12 below.

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

Currently, all Funds managed by Cota Capital pay performance-based compensation. Cota Capital does not manage client accounts that do not pay performance-based compensation.

#### **Item 7. Types of Clients**

Cota Capital provides investment advice to Funds. Investors in the Growth Funds and the Initial Funds are required to invest at least \$1,000,000. Cota Capital GP may waive this minimum. Investment minimums in the SPVs vary and are disclosed in each SPV's governing documents.

#### **Item 8. Methods of Analysis, Investment Strategies and Risk of Loss**

##### Investment Strategy Generally

The Funds invest in the securities of technology companies with a focus on securities of modern software companies. Cota Capital's core thesis is that entrepreneurs and companies are leveraging software in innovative ways to disrupt all industries. Cota Capital invests based on key themes within this thesis and attempts to identify important points of positive and negative change across the investment spectrum. Cota Capital intends to exploit its deep domain expertise, its ecosystem of key industry relationships and advisors, and its core investment processes and methodologies to execute this strategy.

##### Growth Funds

The Growth Funds' investment objective is to generate superior long-term returns by investing in a concentrated portfolio of securities in which Cota Capital believes it has identified an attractive investment opportunity and has a differentiated point of view. To achieve this objective, Cota Capital invests on behalf of the Growth Funds principally, but not solely, in equity and equity-related securities that are traded publicly in U.S. and non-U.S. markets. Cota Capital is authorized, however, to enter into any type of investment transaction that it deems appropriate under the terms of the Growth Funds' partnership or other account agreements, including investments in certain pre-IPO companies.

##### Initial Funds

The Initial Funds' investment objective is to generate superior long-term returns by investing in securities across the private and public markets, from seed stage in the private market to securities in the public market. To achieve this objective, Cota Capital invests on behalf of the Initial Funds principally, but not solely, in equity and equity-related securities of private and publicly traded companies in the U.S. and non-U.S. markets, and by delivering operational value and best practices to its private portfolio companies. Cota Capital is authorized, however, to enter into any type of investment transaction that it deems appropriate under the terms of the Initial Funds'

partnership agreements.

### SPVs

Each SPV's investment objective is to generate superior long-term returns by generally investing in securities of a single venture or growth stage private company alongside the Initial Funds.

### Disclaimer Regarding Investment Strategies

The investment strategies summarized above represent Cota Capital's current intentions, are general in nature and are not exhaustive. There are no limits on the types of securities in which Cota Capital may take positions on behalf of any of the Growth Funds or the Initial Funds, the types of positions that it may take, the concentration of its investments, or the amount of leverage that it may use. Cota Capital may use any trading or investment techniques, whether or not contemplated by the expected investment strategy described above. In addition, there are limitations in describing any investment strategy due to its complexity, confidentiality and indefinite nature. Depending on conditions and trends in securities markets and the economy generally, Cota Capital may pursue any objectives or use any techniques that it considers appropriate and in the Growth Funds' or the Initial Funds' interest. There can be no guarantee that Cota Capital will achieve any Fund's investment objectives.

### Risk Factors

Investing in securities involves risk of loss that investors should be prepared to bear. Cota Capital cannot assure investors that it will be able to successfully select, make and realize investments in any particular portfolio company or in any security, and there is no assurance that Cota Capital will generate returns or generate returns that will be commensurate with the risk of the types of venture capital and public market investing in which it expects to engage. Below are brief summaries of some of the risks that investors should consider before investing in a Fund. Any or all of these risks could materially and adversely affect investment performance, the value of a Fund or any security held by that Fund, and could cause investors to lose substantial amounts of money. Potential investors should review the applicable Fund's offering circular or private offering memorandum carefully and in its entirety, and consult with their professional advisers before deciding to invest. A potential investor should discuss with Cota Capital's representatives any questions that such person may have before investing in a Fund.

### Risks Associated with Cota Capital's Investment Strategies Generally

- Each Fund's success will depend on the relative success or failure of the quantitative and qualitative processes that Cota Capital uses to evaluate potential investments and risks. A Fund may not achieve its investment objectives. A strategy may not be successful and investors may lose some or all of their investments.
- The success of Cota Capital's investment strategy depends on the skill and acumen of its senior investment professionals, and in particular, Babak Poushanchi and Bobby Yazdani, in selecting Fund investments directly and in selecting other investment professionals and



other employees. Cota Capital's ability to select attractive investments and manage the Funds' portfolios could be impaired if any senior investment professional ceases to participate in Cota Capital's activities.

- The Funds will focus on investments in technology companies, with a focus on modern software companies. Companies in the rapidly changing technology and software industry face special risks. Securities of technology and modern software companies tend to be more volatile than the rest of the market. Particular risks relating to those types of investments may include, but are not limited to, the following:
  - The technology industry, and in particular, the software industry, is generally characterized by short product cycles, declining product prices, significant competition from new companies, patent infringement and other intellectual property violations, and product and technology failures and obsolescence. A technology company may fail to acquire or develop necessary technology, it may acquire the rights to or develop a technology that is rendered obsolete by other technological developments, its product or service may not prove to be commercially successful, or it may be subject to intellectual property litigation. All of these risks heighten the volatility of the securities of such companies and may lead to significant losses for the Funds.
  - The market for certain products and services may be heavily influenced by foreign, federal, state and local government regulations and policies, which are subject to change at any time. Any new government regulations pertaining to technology or software products (such as new privacy regulations) may result in significant additional expenses to companies in this industry and their customers and, as a result, could cause a significant reduction in demand for their products.
  - The greatest investment opportunities in this sector may be in small and middle market cap companies, which also offer the greatest risks of loss. Many of these companies have limited product lines, markets or financial resources, may lack management depth and may be especially vulnerable to adverse business or market developments. Such companies involve substantially higher risks than do investments in securities of non-technology sector and larger companies.
- Investor sentiment on the market, an industry, technology, software or an individual stock, promissory note, fixed-income security or other security is unpredictable and can adversely affect a Fund's investments.
- The Funds may hold stocks that disappoint earnings expectations and decline, and may short stocks that beat earnings expectations and rise.
- Cota Capital may not be able to obtain complete or accurate information about an investment and it may misinterpret the information that it does receive. Cota Capital also may receive material, non-public information about an issuer that prevents it from trading securities of that issuer for a Fund when such Fund could make a profit or avoid losses.

- The Funds will take positions in securities of small, unseasoned companies that are less actively traded and more volatile than those of larger companies. Such companies involve higher risks than more established companies, and may experience rapid declines in values.
- The Funds are likely to invest in a relatively limited number of investments, so aggregate returns realized by any Fund may be substantially affected by the unfavorable performance of a small number of such investments. Any concentration in a particular industry, security, issuer or country will make a Fund more susceptible to fluctuations in value and losses resulting from adverse economic conditions affecting that particular industry, security, issuer or country.
- Cota Capital may engage in hedging, which may reduce profits, increase expenses and cause losses. Price movement in a hedging instrument and the security hedged do not always correlate, resulting in losses on both the hedged security and the hedging instrument. Cota Capital is not obligated to hedge the Funds' portfolio positions, and it frequently may not do so.
- The Funds may use leverage by borrowing on margin, and trading futures, other interests and derivatives, which increases volatility and risk of loss. These instruments can be difficult to value. An incorrect valuation could result in losses.
- The Funds may sell covered and uncovered options on securities. The sale of uncovered options could result in unlimited losses.
- Counterparties such as brokers, dealers, custodians and administrators with which Cota Capital does business on behalf of the Funds may default on their obligations. For example, a Fund may lose its assets on deposit with a broker if the broker, its clearing broker or an exchange clearing house becomes bankrupt.
- The Funds may enter into repurchase agreements or reverse repurchase agreements. These instruments can have effects similar to margin trading and leveraging strategies.
- Cota Capital may invest in fixed income securities that are subject to interest rate risk, inflation rate risk, limited liquidity risk and other risks.
- The Funds may invest in securities of non-U.S., public, private and government issuers. The risks of these investments include political risks, risks associated with the economic conditions and legal systems of the country in which the issuer is located, limitations on foreign investment in any such country, currency exchange risks, withholding taxes, more limited information about the issuer, limited liquidity and limited regulatory oversight.
- Changes in economic conditions can adversely affect investment performance. At times, economic conditions in certain parts of the world have fluctuated significantly, resulting in volatile securities markets and periodic large investment losses. Government actions responding to these conditions could lead to inflation and other negative consequences to

the Funds.

- The Funds may acquire a large position in an issuer's securities, but may nonetheless have limited ability to influence the company's management. In addition, if a Fund holds a large position of an issuer's securities, its subsequent sale of all or any part of that position could depress the market for those securities.
- Some of the Funds' positions will be or may become illiquid, in which case Cota Capital may not be able to sell these positions and investors will be unable to withdraw or redeem capital associated with these positions.
- The Funds may invest in other investment entities. The Funds would bear all of the costs of such investment entities in addition to their own costs, which may result in investors paying two levels of expenses and advisory fees.

#### Risks Associated with Investments in Private Companies

- The Funds may invest in restricted securities that are subject to long holding periods or that are not traded in public markets. These securities are difficult or impossible to sell at prices comparable to the market prices of similar publicly-traded securities and may never become publicly traded.
- Each Initial Fund's and SPV's success will depend on Cota Capital's ability to identify and invest in suitable private companies. The loss of the services of one or more personnel at Cota Capital may adversely affect these factors.
- Cota Capital will compete with other entities to acquire investments. Such competition may result in less favorable investment terms than would otherwise be the case. Cota Capital may be unable to find a sufficient number of attractive opportunities to meet its investment objectives or to deploy the full amount of the Initial Funds' capital.
- Privately held technology and software companies may be in their developmental stage of operations, have little or no revenues and may not be profitable. Privately held companies are often also more reliant on a few critical founding individuals and other key personnel. The loss of the services of one or more of these personnel may adversely affect the outcomes of a portfolio company.
- Some private companies may require considerable additional capital to develop technologies and markets, acquire customers and achieve or maintain a competitive position. This capital may not be available at all, or on acceptable terms. The technologies and markets of such companies may not develop as anticipated, even after substantial expenditures of capital.
- If the Initial Funds do not have funds available to participate in subsequent rounds of financing, that shortfall may have a significant negative impact on both the portfolio company and the value of the Initial Funds' original investment. The Initial Funds' capital

may not be adequate to protect the Initial Funds from dilution in multiple rounds of portfolio company financing. Further, there is no guarantee that the Initial Funds will invest, even if the Initial Funds have sufficient liquidity. Any decision not to make follow on investments may adversely affect a portfolio company or may result in dilution of a Fund's position.

- The marketability and value of a Fund's investments in private companies will depend on many factors beyond Cota Capital's control. There will be no readily available market for a Fund's private investments. The public market for technology intensive and other emerging growth companies is extremely volatile. Such volatility may adversely affect the development of portfolio companies, the ability of a Fund to dispose of investments, and the value of investment securities on the date of sale or distribution by a Fund.
- A Fund may be required to make representations about the business and financial affairs of a portfolio company in connection with its disposition and may be required to indemnify the purchasers of such investment. These arrangements may result in contingent liabilities, which might ultimately have to be funded by that Fund.
- Venture capital investments are frequently highly illiquid and may require a significant period of time until a liquidity event (such as an initial public offering, merger or sale). Such investments are often in securities that are restricted and cannot be resold or transferred without significant limitations. There can be no assurance that a portfolio company will be able to consummate a liquidity event at a proper time or favorable valuation.
- The Initial Funds and certain SPVs may invest in cryptocurrencies, initial coin offerings, token generation events and other blockchain-related assets. In addition to other technology related risks applicable to such investments, such assets are subject to heightened risks of losses for the Initial Funds or such SPVs, including, but not limited to: increased risks of irreversible security breaches or loss of private keys that may cause the Initial Funds or such SPVs to lose all or part of their investments in any such asset; extreme volatility of the asset class may lead to very rapid losses for the Initial Funds or such SPVs; there may be limited regulatory protection for the Initial Funds or such SPVs in connection with blockchain investments, which could lead to losses; there is increasing regulatory oversight of the blockchain industry, which may decrease future returns or lead to substantial losses for the Initial Funds or such SPVs; there is heightened counterparty risk with blockchain assets; the IRS and other tax authorities have issued limited guidance regarding blockchain assets and may take positions regarding such assets in the future that could lead to substantial losses for the Initial Funds or such SPVs. As a result of the foregoing, any investment in such assets may increase the volatility of returns for the Initial Funds or such SPVs and could lead to substantial losses for investors.

#### Fund Structure Risk

- Cota Capital determines the value of securities held in the Funds' accounts, whether or not a public market exists for those instruments. If Cota Capital's valuation is inaccurate,

among other possible consequences, it might receive more compensation than it is entitled to, a new investor might receive an interest or share that is worth more/less than the investor paid or an investor that is withdrawing or redeeming from a Fund might receive more/less than the amount to which the investor is entitled. As such, inaccurate valuations have the potential to harm new investors, existing investors, withdrawing or redeeming investors and the Funds.

- The Funds, and not Cota Capital, are generally responsible for any trade errors that Cota Capital makes in the Funds' accounts, even when the error hurts the Funds unless the conduct resulting in such loss is specifically enumerated in the applicable Fund's governing documents (generally Cota Capital's gross negligence, willful misconduct or actual fraud).
- Cota Capital and its affiliates and agents generally are not responsible to any Fund investor for losses incurred in the Fund unless the conduct resulting in such loss is specifically enumerated in the applicable Fund's governing documents (generally Cota Capital's gross negligence, willful misconduct or actual fraud).
- There is not and will not be an active market for Fund interests or shares. It may be impossible to transfer any such interests or shares, even in an emergency.

The Funds may have a few large investors and such concentration may continue for some time. Such investors may act in concert in redeeming funds, which would materially affect any other investors' investments in the Funds if it occurs.

A Fund may not be able to generate cash necessary to satisfy investor withdrawals and redemptions. Substantial withdrawals and redemptions could force Cota Capital to liquidate investments too rapidly, and may so reduce the size of a Fund that it cannot generate returns or reduce losses.

- There are substantial limits on an investors ability to withdraw or redeem from the Funds. For example, because a substantial portion of the Initial Funds' investments are in private securities, investors electing to withdraw from the Initial Funds may have more limited liquidity. In addition, investors in the SPVs are generally not entitled to withdraw or redeem their investments.
- Generally, a Fund may limit or suspend withdrawals or redemptions of an investor's assets from the Fund.
- Generally, a Fund may establish a reserve for contingencies if Cota Capital or Cota Capital GP considers it appropriate. Investors may not withdraw or redeem assets covered by that reserve until it is lifted.
- If the assets that Cota Capital and its affiliates manage grow too large, it may adversely affect performance because it is more difficult for Cota Capital to find attractive investments as the amount of assets that it must invest increases.

- The attorneys who represented the founders and managing partners, Babak Poushanchi and Bobby Yazdani, do not represent Fund investors. Investors must hire their own counsel for legal advice and representation.
- A Fund may dissolve or expel any investor at any time, even if such actions adversely affect one or more investors.
- Cota Capital, Cota Capital GP, an administrator or any government agency may freeze assets that any of them believes an investor holds in violation of anti-money laundering laws or rules or on behalf of a suspected terrorist, and may transfer such assets to a government agency. None of Cota Capital, Cota Capital GP, any Fund or an administrator will be liable for losses related to actions taken in an effort to comply with anti-money laundering regulations.
- The Growth Funds and Initial Funds do not intend to make distributions, but intend instead to reinvest substantially all income and gains. Therefore, an investor may have taxable income from one of those Funds without a cash distribution to pay the related taxes.
- If a Fund becomes insolvent, investors may be required to return with interest any distributions and forfeit any undistributed profits.
- Cota Capital may provide certain investors in a Fund with reduced fees and allocations, certain other preferential rights, and special liquidity rights that it does not provide to other investors or clients. These preferential rights may adversely affect such Fund's portfolio positions, and accordingly, the other investors. Further, Cota Capital may offer certain Funds preferential terms that it does not provide to other Funds or the investors in such Funds.

Cota Capital may identify investment opportunities that it believes are attractive but inappropriate for the Initial Funds or the Growth Funds or too large for the Initial Funds or the Growth Funds to make the entire investment. Cota Capital may allocate all or part of such opportunities to a separate account, SPV or other structure. No Initial Funds or the Growth Funds investor has a right to participate in any SPV or other co-investment vehicle, which may be offered on better terms than are available to those Funds. If a SPV or other co-investment vehicle is formed, those Funds may bear more than their pro-rata share of any applicable expenses (for example, expenses incurred before a co-investment vehicle is formed) and investments in and liquidations of co-investment opportunities may be made non-pro-rata between those Funds and any SPV or other co-investment vehicle.

### General Risks

- Federal, state and international governments may increase regulation of investment advisers, private investment funds and securities markets, which may increase the time and resources that Cota Capital must devote to regulatory compliance, to the detriment of its investment activities.

- Cota Capital is not registered with the SEC as a broker-dealer or with the Commodity Futures Trading Commission as a commodity pool operator or commodity trading adviser. The equity interests in the Funds are not registered under the Securities Act of 1933, and the Funds are not registered investment companies under the ICA. As a result, Fund investors do not have certain regulatory protections that they would have if these registrations were in place. Cota Capital believes that none of these registrations is required because exemptions are available under applicable law. If a regulatory authority deems that any of these registrations is required, Cota Capital and the Funds could be subject to expensive and distracting legal action and potential termination.
- Cota Capital's and its affiliates' activities could cause adverse tax consequences to investors, including liability for interest and penalties.
- Cota Capital's activities may cause a Fund that is subject to the Employee Retirement Income Security Act of 1974 to engage in a prohibited transaction under that Act.
- Cota Capital and its affiliates may spend time on activities that compete with the Funds or distract them from managing the Funds without accountability to Fund investors, including investing for other clients and their own accounts. If Cota Capital receives better compensation and other benefits from these activities compared to managing the Funds, it has incentive to allocate more time to those other activities. These factors could influence Cota Capital not to make investments on the Funds' behalf even if such investments would benefit the Funds, or otherwise reduce the time Cota Capital or its affiliates spend managing the Funds.
- Cota Capital depends heavily on information systems and technology. A disruption in the infrastructure that supports Cota Capital's business, including a disruption involving order management systems, electronic communications or other services that Cota Capital or third parties with which it does business use or any cybersecurity attack or breach with respect to any such persons, Cota Capital or the Funds, may affect Cota Capital's ability to continue to manage the Funds without interruption.

The above is only a brief summary of some risks that a Fund investor may encounter. Before deciding to invest in a Fund, prospective investors should consider carefully all of the risk factors and other information in the Fund's offering circular or private offering memorandum.

## **Item 9. Disciplinary Information**

Cota Capital has no reportable disciplinary information.

Prior to forming Cota Capital, Bobby Yazdani founded Saba Software Inc. ("**Saba**") in 1997 and served as its CEO from 1997 to 2002 and from 2003 to 2013. Peter Williams served as Saba's interim CFO from October 2011 until January 2012. In connection with those roles, Mr. Yazdani and Mr. Williams consented, without admitting or denying any of the substantive facts, to SEC Releases No. 34-73201 and No. 74240 and AAER-3584 and AAER-3636 (the "**Orders**"). The Orders do not accuse Mr. Yazdani or Mr. Williams of any wrongdoing in relation to the time-

keeping practices or the accounting practices described below, nor do they accuse Mr. Yazdani or Mr. Williams of being aware of the practices.

Pursuant to the Orders the SEC alleged that from at least 2008 through the second quarter of Saba's fiscal 2012, Saba professional services employees and managers engaged in improper time-keeping practices that caused Saba's professional services revenues, gross margins and income to be materially overstated in its periodic filings from October 4, 2007 through January 6, 2012. Saba determined that it was required to restate its financial statements for those periods.

Section 304 of the Sarbanes-Oxley Act of 2002 ("**Section 304**") requires the chief executive officer and chief financial officer of any issuer that is required to prepare an accounting restatement due to material noncompliance with the securities laws as a result of misconduct to reimburse the issuer for

(a) any bonus or incentive-based or equity-based compensation received by that person from the issuer during the 12-month periods following the false filings, and (b) any profits realized from the sale of securities of the issuer during those 12-month periods.

While Orders do not accuse Mr. Yazdani or Mr. Williams of any wrongdoing in relation to the time-keeping practices or the accounting practices, the SEC alleged that Section 304 requires a CEO and CFO to reimburse bonuses and stock profits even when that CEO and CFO have not engaged in any wrongdoing.

Without admitting or denying any of the substantive facts, Mr. Yazdani and Mr. Williams each agreed to the applicable Order, which, among other things, ordered each to reimburse Saba for a total of \$2,570,596 and \$141,992, respectively, in Saba bonuses, other incentive-based or equity-based Saba compensation, and Saba stock sale profits.

#### **Item 10. Other Financial Industry Activities and Affiliations**

As noted in the Items above, Cota Capital is the investment adviser to the Funds. Cota Capital's affiliate, Cota Capital GP, is the general partner of each Fund that is structured as a partnership as disclosed in Item 4. Cota Capital is not registered with the SEC as a broker-dealer or with the Commodity Futures Trading Commission as a commodity pool operator. Cota Capital does not recommend or select other investment advisers for its clients.

#### **Item 11. Code of Ethics, Participation or Interest In Client Transactions and Personal Trading**

##### Code of Ethics Generally

Cota Capital has adopted a Code of Ethics in compliance with Rule 204A-1 under the Investment Advisers Act of 1940, that establishes standards of conduct for Cota Capital's supervised persons. The Code of Ethics includes general requirements that Cota Capital's supervised persons comply with their fiduciary obligations to the Funds and applicable securities laws, and specific requirements relating to, among other things, personal trading, insider trading, conflicts of interest and confidentiality of client information. It requires supervised persons to comply with the



personal trading restrictions described below and periodically to report their personal securities transactions and holdings to Cota Capital, and requires review of those reports. It also requires supervised persons to report any violations of the Code of Ethics promptly to Cota Capital. Each supervised person of Cota Capital receives a copy of the Code of Ethics and any amendments to it and must acknowledge in writing having received those materials. Annually, each supervised person must certify that he or she complied with the Code of Ethics during the preceding year. Clients and prospective clients may review Cota Capital's Code of Ethics at Cota Capital's offices by contacting Pete Williams at [pete@cotacapital.com](mailto:pete@cotacapital.com).

### Personal Investments

Under Cota Capital's Code of Ethics, Cota Capital and its partners, officers and employees may in certain instances personally invest in securities of the same classes as Cota Capital purchases for clients and may own securities of issuers whose securities Cota Capital subsequently purchases for clients. For example, Cota Capital and certain employees and affiliates of Cota Capital may, as applicable, invest alongside the Funds as direct or indirect investors in various investments in which one or more Funds invest or otherwise. These practices may create a conflict of interest in that any of such persons can use his or her knowledge about actual or proposed securities transactions and recommendations for a client account to profit personally by the market effect of such transactions and recommendations or may take an opportunity that would otherwise be available to the Funds. To address these conflicts, except as described in Item 12 regarding aggregating securities transactions, Cota Capital maintains a restricted list of public securities that Cota Capital, and its partners, officers and employees may not acquire. In addition, Cota Capital and its partners, officers and employees typically must obtain pre-approval before engaging in certain trades, including trades in restricted securities of private technology companies, purchases of securities offered in initial public offerings and sales of securities included on the restricted list that were either acquired prior to their inclusion on such list or the date of such supervised person's affiliation with Cota Capital. Cota Capital and its partners, officers and employees may also buy or sell specific securities for their own accounts based on personal investment considerations aside from company or industry fundamentals, which Cota Capital does not believe appropriate to buy or sell for clients.

### Solicitation of Clients

Cota Capital solicits investors who may or may not be Cota Capital's clients to invest in its Funds. Cota Capital has an incentive to cause a client to invest in a Fund instead of an individually managed account because (1) of the reduced expenses and administrative burdens of managing a Fund compared to an individually managed account, (2) Cota Capital's performance compensation from a Fund that is a limited partnership or limited liability company may receive more favorable tax treatment than that from an individually managed account, and (3) investors in the Funds have less transparency and liquidity than individual account clients. Cota Capital discloses these conflicts of interest to clients and investors.

### Management of the Funds

Because Cota Capital manages more than one Fund, there may be conflicts of interest over its

time devoted to managing any one Fund and allocating investment opportunities among all Funds that it manages. Cota Capital may be able to obtain more favorable compensation, cost reimbursement or risk sharing arrangements in connection with some investments if certain Funds do not participate. These factors could influence Cota Capital not to make investments for a Fund even though participation might benefit it.

Cota Capital attempts to resolve all such conflicts regarding the Funds and investment opportunities in a manner that is generally fair to all of the Funds over time. Cota Capital will not allocate investments based, in whole or in part, on (a) the relative fee structure or amount of fees paid by any Fund, (b) the then-current profitability of any Fund or (c) any person's interest in offering or participating in any opportunity outside of any Fund.

Cota Capital selects investments for each Fund based solely on that Fund's investment strategy. Different clients may have differing investment strategies and expected levels of trading. Cota Capital may buy or sell a security for one type of Fund but not for another, or may buy (or sell) a security for one type of Fund while simultaneously selling (or buying) the same security for another type of Fund.

Cota Capital may give advice to, and take action on behalf of, any Fund that differs from the advice that it gives or the timing or nature of action that it takes on behalf of any other Fund so long as it is Cota Capital's policy, to the extent practicable, to allocate investment opportunities among the Funds fairly over time in a manner consistent with each Fund's investment strategy. Cota Capital is not obligated to acquire for any Fund any security that Cota Capital or its partners, officers or employees may acquire for its or their own accounts or for any other Fund, if in Cota Capital's absolute discretion, it is not practical or desirable to acquire a position in such security for that Fund.

## **Item 12. Brokerage Practices**

Cota Capital has complete discretion in selecting the brokers that it uses for client transactions and the commission rates that clients pay such brokers.

Cota Capital generally selects brokers based on best execution and other factors or services paid for or provided by those brokers that benefit Cota Capital, its affiliates, the Funds or other client accounts, including, among other things:

- Research reports, services and conferences (including third party research fees);
- Outsourced trading expertise and trading desk access;
- Economic and market information;
- Portfolio strategy advice;
- Industry and company comments;
- Technical data;
- Performance measuring data;
- On-line pricing;
- Special execution capabilities;
- Outsourced trading services;

- Block trading and block positioning capabilities;
- Willingness to execute related or unrelated difficult transactions in the future;
- Willingness to commit capital;
- Knowledge of market participants;
- Order of call;
- Sophistication of computerized trading systems;
- Clearance and settlement;
- Reputation, financial strength and stability;
- Confidentiality;
- Efficiency of execution and error resolution;
- Quotation services;
- Availability of stocks to borrow for short trades;
- Custody, recordkeeping and similar services;
- General business or operational consulting; and
- Other matters involved in the receipt of brokerage services generally.

Cota Capital also may purchase from a broker, or allow a broker to pay for, all or a portion of operating costs and expenses of Cota Capital, the Funds or their affiliates, such as:

- Supplies;
- Newswire and data processing charges;
- Quotation services and equipment;
- Periodical subscription fees;
- Third party research fees;
- Costs and expenses of offering and selling interests and shares in the Funds and communicating with existing and prospective investors; and
- Registration fees to attend research conferences.

Cota Capital may receive soft dollar credits based on principal, as well as agency, securities transactions with brokers or direct a broker that executes transactions to share some of its commissions with a broker that provides soft dollar benefits to Cota Capital.

Cota Capital may allocate the costs of certain computer software used for both research and brokerage (on the one hand) and non-research and non-brokerage (on the other hand) between their research or brokerage uses and non-research or non-brokerage uses, and use soft dollars to pay only for the portion that Cota Capital allocates to research uses.

Cota Capital has retained Jefferies LLC to serve as the Growth Master Fund's and the Initial Master Fund's prime broker and custodian. Cota Capital has also retained Carta Securities, LLC to act as custodian with respect to certain privately offered securities. Cota Capital may replace these firms or appoint an additional prime broker and custodian at any time. The services that Jefferies LLC currently provides as prime broker and custodian may include custody, margin financing, clearing, settlement and stock borrowing in accordance with the terms of the prime brokerage and custody agreements entered into between the applicable Fund and Jefferies LLC.

Jefferies LLC also may, at its discretion, provide capital introduction services. Cota Capital

expects to use a substantial portion of these services for research and trading on behalf of the Funds, but some may be used for administrative purposes, which would not be within the safe harbor of section 28(e). Although many prime brokers and custodians provide similar services to investment advisers in exchange for brokerage, custody and clearance fees and other charges, if Cota Capital did not receive these services from Jefferies LLC, Cota Capital would be required to pay for all or some portion of them. Cota Capital is not required to direct a particular number of trades to Jefferies LLC or to continue to use it as a Fund's prime broker and custodian, but it has an incentive to do so based on Jefferies LLC's prior and continued services.

A Fund's obligations to its custodians and their affiliates is secured by a first priority perfected security interest over all of such Fund's assets held by them and their affiliates. A custodian may transfer to itself all rights, title and interest in and to those assets as collateral and may deal with, lend, dispose of, pledge or otherwise use all such collateral for its own purposes. If any such transfer occurs, a Fund will rank as such custodian's (or affiliate's) unsecured creditor. If a custodian or affiliate becomes insolvent, a Fund may not be able to recover such equivalent securities in full. In addition, a Fund's cash held by a custodian may not be segregated from such custodian's own cash and, if not so segregated, may be used by such custodian or affiliate in the course of its business and a Fund will therefore rank as an unsecured creditor in relation thereto.

If any of a Fund's investments are registered in the name of a custodian or its affiliate due to the nature of the law or market practice of a particular jurisdiction, such investments will not be segregated from the custodian's or affiliate's own investments and if such custodian or affiliate becomes insolvent, such Fund may not be able to recover such equivalent investments in full.

Cota Capital may select a broker to act as a "trading broker" for a client. In such cases, Cota Capital or the trading broker may select the executing broker, and the trading broker would then place or manage the order. The trading broker is compensated (through commissions or otherwise) for this trading service in addition to the commissions paid to the executing brokers. As with all soft dollar arrangements, using a trading broker in this manner causes the client to pay brokerage commissions, mark-ups and other transactions fees that are higher than might otherwise be paid if brokers were selected solely based on lowest execution cost. In addition, using a trading broker (rather than an employee of Cota Capital) to provide those services may allow Cota Capital to reduce its own personnel expenses.

Section 28(e) of the Securities Exchange Act of 1934 provides a "safe harbor" to investment advisers who use commission dollars of their advised accounts to obtain investment research and brokerage services that provide lawful and appropriate assistance to the adviser in performing investment decision-making responsibilities. Conduct outside of the safe harbor of section 28(e) is subject to the traditional standards of fiduciary duty under state and federal law. If Cota Capital uses commission dollars to pay for products or services that provide administrative or other nonresearch assistance to itself or its affiliates, such payments may not fall within the section 28(e) safe harbor.

Cota Capital's relationships with brokers that provide soft dollar services influence its judgment and create conflicts of interest in allocating brokerage business between firms that provide soft dollar services and firms that do not, and in allocating the costs of mixed-use products between their research and non-research uses. Cota Capital has an incentive to select or recommend a

broker based on Cota Capital's interest in receiving soft dollar services rather than clients' interest in receiving the most favorable execution. These conflicts of interest are particularly influential to the extent that Cota Capital uses soft dollars to pay expenses it would otherwise be required to pay itself.

Cota Capital attempts to address these conflicts of interest by periodically evaluating the trade execution services that it receives from the brokers that it uses to execute trades for clients. Such evaluation includes comparing those services to the services available from other brokers. As part of those evaluations, Cota Capital may consider, among other things, quantitative and qualitative factors such as the services described above and the desirability of adding or removing brokers, increasing or decreasing targets for each broker (based on Cota Capital's assessment of the value of the services that each broker provides).

Cota Capital may aggregate securities sale and purchase orders for a client with similar orders being made contemporaneously for other accounts that it manages or with accounts of its affiliates. In such event, Cota Capital will charge or credit a client, the average transaction price of all securities purchased or sold in such transactions. As a result, however, the price may be less favorable to the client than it would be if Cota Capital were not executing similar transactions concurrently for other accounts.

Generally, Cota Capital does not engage in cross transactions, however, if such a cross-transaction is in the interests of both clients, than Cota Capital may decide to do so in the future.

Cota Capital may direct a certain amount of brokerage to a broker in return for the broker's referral of prospective clients or investors. Directing brokerage to a broker in exchange for client or investor referrals creates a conflict of interest in that Cota Capital has an incentive to refer its clients' brokerage business to brokers to which it might not otherwise direct transactions. Cota Capital has policies and procedures to review its brokerage practices regularly and includes as a factor in its review of trade execution services its use of brokers from which Cota Capital receives client or investor introductions.

### **Item 13. Review of Accounts**

Cota Capital's managing partners, Babak Poushanchi and Bobby Yazdani, review all accounts on a regular basis. Those reviews may take into account such matters as asset allocation, cash management, the prospects of individual securities, changes in issuer earnings, industry outlook, market outlook and price levels. Each Fund investor receives a written annual report containing the applicable Fund's audited financial statements. In addition, investors in the Growth Funds and Initial Funds receive unaudited monthly or quarterly statements from the Funds' administrator. The Funds may change the content and frequency of such reports or send certain investors more frequent reports (e.g., monthly or weekly). Cota Capital also furnishes to Fund investors appropriate tax information each year.

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

Cota Capital engages placement agents or solicitors to whom it pays cash or a portion of the

advisory fees paid by clients referred to it by those placement agents or solicitors. In such cases, this practice is disclosed in writing to the client and Cota Capital complies with the other requirements of Rule 206(4)-3 under the Investment Advisers Act of 1940, to the extent required by applicable law.

**Item 15. Custody**

Not applicable.

**Item 16. Investment Discretion**

Cota Capital has discretionary authority to manage investment accounts on behalf of the Funds pursuant to a grant of authority in each Fund's governing agreement or a limited power of attorney in its investment adviser agreement. Fund investors generally may not place any limits on Cota Capital's authority beyond those set forth in the Funds' offering and governing documents.

**Item 17. Voting Client Securities**

Cota Capital votes with respect to both private and public securities as described in this Item 17. After considering whether a proposal will have a material effect on the account's investment strategy, Cota Capital determines whether to vote on each proposal. Cota Capital will vote on all proxy or other corporate events unless Cota Capital determines it is not in the best interest of the applicable client. This analysis frequently leads Cota Capital to not vote on public company proposals. Cota Capital assesses private company proposals on a case by case basis. In determining whether a proposal serves an account's best interests, Cota Capital considers a number of factors, including:

- the proposal's economic effect on shareholder value;
- the threat that the proposal poses to existing rights of shareholders;
- the dilution of existing shares that would result from the proposal;
- the effect of the proposal on management or director accountability to shareholders; and
- if the proposal is a shareholder initiative, whether it wastes time and resources of the company or reflects the grievance of one individual.

Cota Capital abstains from voting when Cota Capital believes that it is appropriate to do so.

If a material conflict of interest over voting arises between Cota Capital and a client, Cota Capital will vote in accordance with the policy described above. If Cota Capital determines that this policy does not adequately address the conflict of interest, Cota Capital will notify the client of the conflict and request that the client consent to Cota Capital's intended response to the applicable solicitation to vote. If the client consents to Cota Capital's intended response or fails to respond to the notice within a reasonable time specified in the notice, Cota Capital will vote as described in the notice. If the client objects in writing to Cota Capital's intended response, Cota Capital will vote as the client directs.

A client can obtain a copy of Cota Capital's voting policy and a record of votes cast by Cota

Capital on behalf of that client by contacting Cota Capital.

**Item 18. Financial Information**

This Item is not applicable, because Cota Capital is not required to report financial information.

**Item 19. Requirements for State-Registered Advisers**

Not applicable. Cota Capital is not registered as an investment adviser with any state's securities agency.

**Privacy Policy**

Cota Capital and its affiliates, including Cota Capital GP, and the investment Funds managed by Cota Capital are committed to safeguarding the confidential information provided to them by their clients, investors in these Funds and prospective and former clients and investors in these Funds.

Cota Capital and these Funds collect nonpublic personal information about these former, current and prospective investors from the following sources: interviews and other conversations between investors and representatives of Cota Capital or these Funds; subscription agreements, offering questionnaires and other documents provided by these investors; information about investors' transactions with a Fund and others; and information that Cota Capital and these Funds receive from consumer reporting agencies.

Cota Capital and these Funds do not disclose any nonpublic personal information about any of their investors to anyone, except as permitted by law or as disclosed herein. Disclosures that are permitted by law include disclosures that are necessary to effect, administer or enforce a transaction that an investor requests or authorizes. Other examples of disclosures that are permitted by law are disclosures to Cota Capital's or a Fund's accountants, auditors and lawyers, disclosures to regulators that examine Cota Capital's or a Fund's business, disclosures that these investors specifically request and disclosures authorized by an investor in its subscription agreement with any Fund.

Cota Capital and these Funds do not provide personal information about investors to mailing list vendors or solicitors for any purpose. Cota Capital and these Funds restrict access to nonpublic personal information about investors to those employees of Cota Capital who have a business or professional need to know such information. In addition, Cota Capital and these Funds use reasonable precautions to maintain a secure office and computer environment to ensure that the confidentiality of investors' information is not placed at unreasonable risk.