

**Item 1 – Cover Page**

**Part 2A of Form ADV  
Brochure for:**

**Whale Rock Capital Management LLC**

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**This brochure (the “Brochure”) provides information about the qualifications and business practices of Whale Rock Capital Management LLC. If you have any questions about the contents of this brochure, please contact us at (781) 552-4019 or via [kbenz@whalerockcapital.com](mailto:kbenz@whalerockcapital.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.**

**Whale Rock Capital Management LLC is a registered investment adviser. Registration as an investment adviser does not imply any certain level of skill or training.**

**Additional information about Whale Rock Capital Management LLC also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**



## Item 2 – Material Changes

The following material changes in Whale Rock Capital Management LLC’s Form ADV Part 2A were made since the Other-Than-Annual amendment May 11, 2023:

Addition of Whale Rock Long Opportunities IV(A) LP (the “Long Opportunities Fund IV Master”) and Whale Rock Long Opportunities Fund IV LP (the “Long Opportunities Fund IV”), which is a feeder fund into the Long Opportunities Fund IV Master.

Investors and prospective investors should carefully review the disclosures contained herein.

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## Item 4 – Advisory Business

### Description of the Advisory Firm

Whale Rock Capital Management LLC (“Whale Rock,” the “Firm” or “We”) is a Delaware limited liability company formed in March of 2006 primarily for the purpose of sponsoring and managing pooled investment vehicles. Alexander Sacerdote is the founder, principal owner, and managing member of Whale Rock and is currently the Chief Executive Officer.

We sponsor and manage pooled investment vehicles (each referred to herein as a “Fund” and collectively as the “Funds”) including:

1. **The Flagship Funds** include (i) Whale Rock Flagship Fund LP and Whale Rock Flagship Fund Ltd., which are feeder funds into Whale Rock Flagship Master Fund, LP and (ii) Whale Rock Flagship (AI) Fund LP (collectively the “Flagship Funds”). Whale Rock Flagship Fund LP (the “U.S. Flagship Fund”) was organized as a Delaware limited partnership in April 2006 and commenced investment operations in May 2006. Whale Rock Flagship Fund Ltd. (the “Offshore Flagship Fund”) is a Cayman Islands exempted company and commenced investment operations in July 2006. Whale Rock Flagship Master Fund, LP (the “Flagship Master Fund”) is a Cayman Islands limited partnership that commenced operations in January 2014. Whale Rock Flagship (AI) Fund LP (the “AI Fund”) was organized as a Delaware limited partnership in April 2006 and commenced investment operations in June 2006.
2. **The Long Opportunities Funds** include (i) Whale Rock Long Opportunities Fund LP and Whale Rock Long Opportunities Fund Ltd., which are feeder funds into Whale Rock Long Opportunities Master Fund, LP, (ii) Whale Rock Long Opportunities Fund II LP, and (iii) Whale Rock Long Opportunities Fund IV LP which is a feeder fund into Whale Rock Long Opportunities IV(A) LP (collectively the “Long Opportunities Funds”). Whale Rock Long Opportunities Fund LP was organized as Delaware limited Funds in June 2019 (the “U.S. Long Opportunities Fund”) and commenced investment operations in January 2020. Whale Rock Long Opportunities Fund Ltd. is a Cayman Islands exempted company (the “Offshore Long Opportunities Fund”) and commenced investment operation January 2020. Whale Rock Long Opportunities Master Fund, LP (the “Long Opportunities Master Fund”) is a Cayman Islands limited partnership that commenced investment operations in January 2020. Whale Rock Long Opportunities Fund II LP was organized as Delaware limited in October 2019 (the “U.S. Long Opportunities Fund II”) and commenced investment operations in January 2020. Whale Rock Long Opportunities Fund IV LP was organized as a Cayman Islands exempted limited partnership in September 2023 and commenced investment operation in October 2023. Whale Rock Long Opportunities Fund IV(A) LP was organized as a Cayman Islands exempted limited partnership in August 2023 and commenced investment operations in October 2023.
3. **The Hybrid Funds** include (i) Whale Rock Hybrid Fund LP and Whale Rock Hybrid Fund Ltd, which are feeder funds into Whale Rock Hybrid Master Fund, LP (“Hybrid Fund I”) and (ii) Whale Rock Hybrid Fund II LP and Whale Rock Hybrid Fund II Ltd., which are feeder funds into Whale Rock Hybrid Master Fund II, LP (“Hybrid Fund II”, and collectively with Hybrid Fund I, the “Hybrid Funds”). Whale Rock Hybrid Fund LP (the “U.S. Hybrid Fund I”) was organized as a Delaware limited partnership in November 2020 and commenced operations in April 2021. The Whale Rock Hybrid Fund Ltd. (the “Offshore Hybrid Fund I”) was organized as a Cayman Islands exempted company and

commenced operations in April 2021. Whale Rock Hybrid Master Fund, LP (the “Hybrid Master Fund I”) is a Cayman Islands limited partnership that commenced operations in April 2021. Whale Rock Hybrid Fund II LP (the “U.S. Hybrid Fund II”) was organized as a Delaware limited in January 2021 and commenced operations in April 2021. The Whale Rock Hybrid Fund II Ltd. (the “Offshore Hybrid Fund II”) was organized as a Cayman Islands exempted company and commenced operations in April 2021. Whale Rock Hybrid Master Fund, LP (the “Hybrid Master Fund II”) is a Cayman Islands limited that commenced operations in April 2021.

Affiliated entities serve as the general partners of the U.S. feeder funds and their master funds as discussed in Item 10.

The Funds offer interests (“Interests”) to certain qualified investors, as described in response to Item 7, below; such shareholders and limited partners are referred to herein as “Investors”.

### **Description of Advisory Services**

We serve as the investment manager to the Funds pursuant to separate investment management agreements between each Fund and Whale Rock. The investment objective of the Funds is to provide consistently superior, risk adjusted returns. Whale Rock utilizes a fundamental, research driven approach and a disciplined investment process, and it believes that its experience and insight in these sectors provides an advantage to the Funds. Whale Rock utilizes an “S-Curve” based investment process in seeking to isolate the best aspects of investments in the global technology, media and telecommunication (“TMT”) sectors. The Funds seek to achieve their objective primarily by investing in both public and private equity securities and related instruments with a focus on issuers in the global TMT sectors. All of the Funds also have the flexibility to invest in other types of securities and in other sectors.

### **Client Tailored Services and Client Imposed Restrictions**

We do not tailor portfolio management services to the individual needs of Investors in the Funds.

### **Assets Under Management**

As of December 31, 2023, Whale Rock had regulatory assets under management on a discretionary basis of \$8,723,803,391.00. Whale Rock does not manage any client assets on a non-discretionary basis.

## Item 5 – Fees and Compensation

We generally receive Management Fees and a Performance Allocation, which we can and do waive or reduce with respect to certain Investors. A full description of applicable fees, expenses and compensation is contained in each Fund’s offering memorandum or other governing documents. Investors should review those documents closely prior to investing in the Whale Rock Funds.

### Management Fee

Whale Rock charges a fixed management fee that ranges from 1%-1.75% per annum and is described in the offering memorandum or other governing document of each Fund, as applicable. Management fees are charged quarterly in advance at such time as specified in the applicable governing documents and are calculated based on the balance in each Investor’s capital account or the net asset value of its shares at the beginning of each calendar quarter (before reduction for any applicable Performance Allocation). For purposes of determining the amount of management fees with respect to any private investments (referred to as “Designated Investments in each Fund’s governing documents), each Designated Investment is valued at the lower of its cost or fair value, as determined by Whale Rock.

Whale Rock will pro rate the management fee for Interests held for less than a full quarter, and Investors will receive a refund of the management fee if they are permitted to withdraw capital prior to the end of a quarter. Withdrawals, including terms related to lock up periods and distribution methods, are outlined in each Fund’s offering memorandum and governing documents. Investors are encouraged to closely read these documents.

Whale Rock has offered and may offer, from time to time, in its discretion, to reduce management fees to all or certain Investors within a particular Fund, subject to certain terms and conditions.. For example, management fees are generally waived for Investors that are current or former owners, officers, employees or affiliates of Whale Rock (including their family members and any trusts or other vehicles for the benefit of family members of such owners, officers and employees and/or charitable entities, including, but not limited to donor advised funds and private foundations).

Whale Rock separately negotiates “side letters” with certain Investors without applying terms negotiated with such Investors, including terms related to fees, to all Investors in a Fund. The decision to enter into a side letter and the terms included such side letters are generally based on , whether the Investor is one of the first Investors in a Fund, the size of the Investor’s investment in a Fund, the reputation of the Investor, or an agreement by an Investor to maintain such investment in a Fund.

Certain existing Investors in the Funds have negotiated such side letters. The terms and conditions of these side letters may include, for example, special rights for a reduction of the management fee and/or the performance-based fee; eligible transferees and/or other terms; “most favored nation” rights which grant the Investor the right to receive any more favorable terms granted to other Investors; and such other rights as may be negotiated by Whale Rock and such Investors.

## Performance Allocation

Whale Rock, or an affiliate, is also entitled to a performance-based compensation (“Performance Allocation”), which is compensation that is based on a share of realized or unrealized net profits or capital appreciation of the assets of a Fund. The Performance Allocation is described in the offering memorandum of each Fund and generally ranges from 15%-20% of a Fund’s (with the exception of certain of types of Investors in the AI Fund, as described below) realized or unrealized net profits or capital appreciation. However, net profit and losses from Designated Investments will not be included in the Performance Allocation until the Designated Investment (or a portion thereof) becomes a realized Designated Investment. Where applicable, the Performance Allocation is subject to a loss recovery account and, in some circumstances, a hurdle rate. We will not receive any Performance Allocation with respect to an Investor until such Investor has recovered all amounts credited to its loss recovery account (as adjusted for withdrawals of capital). Performance Allocations are generally made annually but may be made earlier upon the earlier withdrawal of capital.

Performance-based compensation like the Performance Allocation creates an incentive for Whale Rock to engage in riskier transactions or investments than would be the case if such arrangements were not in place.

Whale Rock and/or its affiliates have offered and may offer, from time to time, in its discretion, to reduce or waive the Performance Allocation to all or certain Investors within a particular Fund, subject to certain terms and conditions. For example, the Performance Allocation is generally waived for investors that are current or former owners, officers, employees or affiliates of Whale Rock (including their family members and any trusts or other vehicles for the benefit of family members of such owners, officers and employees and/or charitable entities, including, but not limited to donor advised funds and private foundations).

We have responsibility, in coordination with the Funds’ Administrator, for valuing each Fund’s securities. A conflict exists with respect to this responsibility given the fact that the Management Fee and the Performance Allocation payable to us is based on such valuations. Whale Rock utilizes third party service providers (including pricing services and valuation agents) when valuing securities in the Funds’ portfolios. The Funds invest a portion of their assets in non-publicly traded securities. Although the Funds expect that some of its equity investments may trade on public or private secondary marketplaces, a market value for their investments in certain public and private companies will typically not be readily determinable. For the Funds’ investments in the securities where there are no readily available market quotations, the Firm will value such securities at fair value as determined in good faith in accordance with Whale Rock’s Valuation Policy. In accordance with such Policy, on a periodic basis the Firm utilizes the services of an independent valuation firm, which assists in preparing valuations for each of the Funds’ portfolio investments that are not publicly traded or for which the Firm does not have readily available market quotations. Whale Rock retains ultimate authority as to the appropriate valuation of each such investment. The types of factors that the Firm takes into account with respect to the valuation of such non-traded investments include, as relevant and to the extent applicable, the valuation of the investment as of the portfolio company’s latest funding round, the portfolio company’s earnings, the markets in which the portfolio company does business, comparison to valuations of publicly traded comparable companies, comparisons to other performance metrics of comparable companies, the discounted value of the cash flows of the company and other relevant factors. This information may not always be readily available because it is difficult to obtain financial and other information with respect to private companies, and even where the Firm is able to obtain such information, there can be no assurance that it is complete or accurate. Because such valuations are inherently uncertain and may be based on estimates, the Firm’s determinations of fair value may differ materially from the values that would be assessed if a readily available market for these securities existed.

## Expenses

Each Fund bears all costs and expenses related to its investments and its operations, including, without limitation:

- i. brokerage and other transaction costs, clearing and settlement charges,
- ii. Bloomberg services and other market data services and other data associated with the calculation and distribution of the Funds' net asset values,
- iii. third party valuation expenses,
- iv. consulting, legal and other professional fees relating to potential and actual investments whether or not such investments are consummated,
- v. interest and commitment fees on debit balances or borrowings,
- vi. borrowing charges on securities sold short,
- vii. costs of independent appraisals,
- viii. broken deal and/or unconsummated expenses associated with an investment (including, for purposes of clarity, any portion of such expenses that could have been borne by any other co-investment vehicle or account unless any such co-investment vehicle or account agrees otherwise to bear such expenses),
- ix. legal fees and other expenses in connection with initial and ongoing due diligence and negotiating the terms of investments (including investment-related travel expenses incurred with respect to specific potential or existing investments), regardless of whether such investments are consummated,
- x. fees and expenses for order management systems and risk management reporting,
- xi. costs of any liability insurance obtained on behalf of the Funds (including, without limitation, directors and officers insurance),
- xii. custody fees,
- xiii. costs of any litigation or investigation involving the Funds activities,
- xiv. indemnification expenses,
- xv. management fee,
- xvi. consulting expenses (including finders fees),
- xvii. fees and expenses of professionals providing services to the Funds, including legal, audit, accounting, tax and administration (including the Funds' Administrator),
- xviii. fees and expenses of a Fund's governance committee and Board of Directors (including any Anti-Money Laundering Compliance Officer, Money Laundering Reporting Officer and Deputy Money Laundering Reporting Officer appointed pursuant to Cayman AML regulation) (in each case, for Funds domiciled in the Cayman Islands),
- xix. any issue or transfer taxes chargeable in connection with any securities transactions,
- xx. any entity level taxes,
- xxi. regulatory costs and expenses (including filing and license fees and preparation and submission of filings and licenses, including without limitation, Section 13 filings, Section 16 filings, Form PF preparation and filing fees, blue sky and corporate filing fees and expenses and fees and expenses for filings in any applicable jurisdiction as required pursuant to applicable law) in connection with specific investments or offering interests in the Funds,
- xxii. the costs of reporting and providing information to Investors (including updates to offering documents),
- xxiii. expenses relating to any amendment to a respective Fund's limited partnership agreement or that respective Fund's master fund's limited partnership agreement, and any extraordinary expenses.

Any expense that relates specifically to a particular Designated Investment will be charged solely to the Designated Investment accounts of those Investors participating in the Designated Investment.





If any of the above expenses are incurred jointly for the account of more than one Fund (“Shared Direct Expenses”), such expenses will be allocated among the applicable Funds in such manner as Whale Rock or an affiliate considers fair and reasonable. Generally, each applicable Fund will bear its pro rata share of the Shared Direct Expenses based on respective assets under management at the time the expense is incurred.

The public equity securities transactions of the Funds generate a substantial amount of brokerage commissions and other transaction-based compensation that will be paid by the Funds to the applicable brokerage counterparty. Please see Item 12 for further information.

We have the ability to invest a portion of the Funds’ assets in shares of exchange-traded funds (“ETFs”). Assets invested in ETFs will be included in computing the management fees and Performance Allocation paid to Whale Rock or an affiliate. The ETFs will also be subject to additional advisory and other fees and expenses, as set forth in the prospectuses of the ETF paid by the ETF, but ultimately borne proportionally by the Funds.

The Management Fee, Performance Allocation and expenses are deducted from the Funds’ assets.

While the above-noted expenses are borne by the Funds, Whale Rock may, in its sole discretion, determine to bear all or any portion of a particular expense based on the circumstances related to the expense.

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

Please refer to Item 5 for the description of our performance-based fees.

Performance-based compensation arrangements, such as the receipt of the Performance Allocation described in Item 5 above, creates an incentive to make investments that are riskier or more speculative than would be the case if the Performance Allocation were not in use. Furthermore, since the Performance Allocation is calculated by including unrealized appreciation, such allocation may be greater than if it were based solely on realized gains.

Item 5 above describes the Performance Allocation received by Whale Rock or an affiliate. The formula for calculating performance-based compensation differs (i) from one Fund to the next and (ii) among Investors within a given Fund depending on (a) the series selected by an Investor and (b) when a given Investor invested in such Fund. This creates a conflict of interest with respect to the allocation of an investment opportunity amongst the Funds with the same or substantially similar strategies, particularly in circumstances where a potential investment has limited availability or is illiquid. For example, we have an incentive to favor the Flagship Funds over some series of interests in the Long Opportunities Funds, because the former pays us performance-based compensation (in addition to a management fee) and the latter do not.

Ultimately, we believe that performance-based fee arrangements align our interests with the interests of Investors who are subject to those fees. In addition, Whale Rock has established order aggregation and allocation policies and procedures designed to allocate investment opportunities on a fair and equitable basis to address this conflict of interest. Please see Item 12 for a summary of Whale Rock's order aggregation and allocation policies and procedures.



## Item 7 - Types of Clients

We provide investment advice solely to the Funds previously described. Investors in the Funds include high net worth individuals, trusts, foundations, endowments, charitable organizations, pension plans, corporations, funds of funds and other U.S. and international institutional investors.

The minimum investment in the Flagship Funds and the Hybrid Funds is \$1,000,000. The minimum investment in the Long Opportunities Funds is \$5,000,000. The minimum investment in the U.S. Flagship Fund, the U.S. Long Opportunities Fund, the AI Fund, the U.S. Hybrid Fund I, and the U.S. Hybrid Fund II may be modified by each of these Funds' general partner. The minimum investment in the Offshore Flagship Fund, the Offshore Long Opportunities Fund, the Offshore Hybrid Fund I, and the Offshore Hybrid Fund II may be modified by a member of these Funds' Board of Directors.

Each Investor in the Funds must be an "accredited investor" as defined in Regulation D under the Securities Act of 1933, as amended. Further, each investor in the Funds, other than the Flagship (AI) Fund, must also be a "qualified purchaser" as defined in Section 2(a)-(51) of the Investment Company Act of 1940, as amended. Each Investor in the Funds must be a "qualified client" as defined in Section 205(3) of the Investment Advisers Act of 1940, as amended. However, certain Whale Rock employees who are Investors in the Flagship (AI) Fund are not qualified clients, and as such, are not assessed the Performance Allocation as described in Items 5 and 6 above.

## Item 8 – Methods of Analysis, Investment Strategies & Risk of Loss

*The descriptions set forth in this Brochure of specific advisory services that Whale Rock offers to the Funds, investment strategies pursued, and investments made by Whale Rock on behalf of the Funds, should not be understood to limit in any way its investment activities. Whale Rock may offer any advisory services, engage in any investment strategy and make any investment, including any not described in this Brochure, that it considers appropriate, subject to each Fund's investment objectives and guidelines. The investment strategies Whale Rock pursues are speculative and entail substantial risks. There can be no assurance that the investment objectives of any Fund will be achieved.*

### Method of Analysis

Whale Rock utilizes a fundamental, research driven approach and a disciplined investment process. We seek to identify technological, social and economic trends that generate significant product cycles and industry inflection points and then analyze the sub-sectors and/or companies with the most exposure (both positive and negative) to these trends. We seek to analyze the relevant information to understand the longer-term valuation implications before the broader market does. Accordingly, each Fund's investment strategy is generally expected to be longer-term in nature. Once significant trends and inflection points are identified, we look for companies whose sales and profits will benefit from these trends and that have at least some of the following characteristics: strong business models and competitive advantages, underappreciated earnings power, reasonable valuations and good management.

On the short side, we look for companies that will be negatively impacted by these trends and also have some of the following characteristics: weak business models, deteriorating competitive positions, unreasonable valuations, over-hyped business opportunities and poor management. Emphasis is put on balance sheet and cash flow analysis, particularly when free cash flow is significantly lower than net income.

With respect to private equity investments (referred to as "Designated Investments" in the Funds' offering documents), Whale Rock generally focuses on later-stage private opportunities, typically that it believes presents a one to three years exit opportunity, although the holding period may exceed that time. Whale Rock may also make investments in earlier stage private companies if it believes each such opportunity is consistent with the investment strategy of a fund. Whale Rock utilizes the "S-Curve" framework to assess the company's total addressable market opportunity, the competitive advantage(s) and the potential valuation three to five years in the future. Prior to making an equity investment in a prospective private company, Whale Rock analyzes the potential for that company to increase the liquidity of its equity through a future event that would enable Whale Rock to realize appreciation in the value of the Fund's equity interest in such company. Liquidity events are generally expected to be initial public offerings but could also include other events such as a private sale of a Fund's equity interest to a third party, or a merger or an acquisition of the company.

## Investment Strategies

### Flagship Funds

The investment objective of the Flagship Funds is to provide consistently superior, risk adjusted returns. The Flagship Funds seek to achieve this objective primarily by investing both long and short in equity securities and related instruments of publicly traded issuers, with a focus on issuers in the global TMT sectors. The Flagship Funds also have the flexibility to invest in other types of securities and in other sectors. The Flagship Funds' investment strategy includes using leverage in pursuit of additional return. The Flagship Funds are generally expected to have a net long bias.

Additionally, the Flagship Funds have the ability to make investments in Designated Investments (as described above). Investors in the Flagship Funds have the opportunity to opt-in to participating in Designated Investments at certain times up to 15% or 25% of their invested capital ("DI Limitation Cap"). To the extent an Investor opts to participate in Designated Investments the Funds impose a limitation on the percent of invested capital that can be invested in a single Designated Investment ("Single DI Limitation"). The Single DI Limitation for each applicable Investor means (i) 8% with respect to Investors that have selected the 25% DI Limitation Cap or (ii) 5% with respect to Investors that selected the 15% DI Limitation Cap. Investors should carefully read Fund offering documents for additional clarifying information.

### Long Opportunities Funds

The investment objective of the Long Opportunities Funds is to provide consistently superior, risk adjusted returns. The Long Opportunities Funds seek to achieve this objective primarily by investing long in equity securities (generally, above a certain liquidity threshold) and related instruments of publicly traded issuers, with a focus on issuers in the global TMT sectors. The Long Opportunities Funds also have the flexibility to invest in other types of securities and in other sectors.

Additionally, the Long Opportunities Funds have the ability to make investments in Designated Investments (described above). Similar to the structure and limitations set forth above for Flagship Fund Investors, Investors in the Long Opportunities Funds have the opportunity to opt-in to participating in Designated Investments, subject to the DI Limitation Cap and Single DI Limitation. Investors should carefully read Fund offering documents for additional clarifying information.

The portion of the Long Opportunities Funds' portfolios that are invested in publicly traded securities are expected to generally be comprised of publicly traded securities that are within the Flagship Funds' long portfolio, provided that generally, under normal market conditions, publicly-traded equities will typically have a trailing ninety (90) day average daily trading volume greater than \$50 million at the time of purchase by the Long Opportunities Funds. See Item 12 below for additional information regarding allocation of investment opportunities amongst the Funds.

### Hybrid Funds

The Hybrid Funds are structured as a "hybrid" fund to provide Whale Rock with flexibility to seek superior, risk adjusted returns in the securities of both public and private companies, with a focus on security selection in the global TMT sectors. The Hybrid Funds will seek to achieve its objective primarily by taking long positions (as is the case for Hybrid Fund I) or long and short positions (as is the case for Hybrid Fund II) in equity and related instruments of public and late-stage private companies. Additionally, the Hybrid Fund II's investment strategy

includes using leverage in pursuit of additional return. The Hybrid Fund II is generally expected to have a net long bias.

The Hybrid Funds were initially invested in securities of publicly traded companies (or maintained in cash equivalents). As investment opportunities in the non-registered securities of private companies (“Designated Investments”) were identified, they were funded from the assets in the Hybrid Funds’ liquid portfolio or from cash holdings.

Investments in private companies and other investments that Whale Rock, in its discretion, determines are illiquid, restricted on sale, not susceptible to accurate valuation prior to disposition or maturity, or otherwise should be held until the occurrence of certain events or for an extended period will be segregated as Designated Investments at the time the investment is made. When a Designated Investment is sold, the net proceeds will generally then be invested in the securities of publicly traded companies (or maintained in cash equivalents or paid to withdrawing Investors) and will become available for future investments in private companies. The Hybrid Funds seek to invest in Designated Investments subject to an 80% of Designated Investment Limitation and the 25% Single Designated Investment Limitation with respect to the capital invested by each Investor. Investors should refer to the Funds’ offering memoranda and other governing documents for further discussion of Designated Investments.

The portion of the Hybrid Fund I’s portfolios that is invested in publicly traded securities are expected to generally be comprised of publicly traded securities that are within the Flagship Funds’ long portfolio whereas the portion of the Hybrid Fund II’s portfolios that are invested in publicly traded securities are expected to generally be comprised of publicly traded securities that are within the Flagship Funds’ long and short portfolio, provided that generally, under normal market conditions, publicly-traded equities will typically have a trailing ninety (90) day average daily trading volume greater than \$50 million at the time of purchase and, if applicable, short sale by the Hybrid Fund II. See Item 12 below for additional information regarding allocation of investment opportunities amongst the Funds.

It is important to note that due to their investment strategy and fund terms, the Whale Rock Hybrid Funds provide less frequent liquidity than the Whale Rock Flagship Funds and the Whale Rock Long Opportunities Funds.

### **Risks of Investment Strategies**

*Investing in securities involves risk of loss that the Funds and their Investors should be prepared to bear. The below discussion of the risks associated with an investment in the Whale Rock Funds are not, and are not intended to be, a complete list, description or explanation of the risks involved in an investment. Investors should refer to the Funds’ offering memoranda and other governing documents for further discussion of risks.*

**Dependence on Key Personnel.** The success of the Funds will depend upon the ability of our CEO Alexander Sacerdote to develop and implement investment strategies that achieve each Fund’s respective investment objectives. If Mr. Sacerdote were to become unable to participate in the management of the Funds, the consequences to the Funds could be material and adverse. The past performance of the Funds, Whale Rock, the general partners, Mr. Sacerdote, their respective affiliates and funds they manage is no guarantee of future performance. There can be no assurance that the Funds will achieve their investment objectives or provide a return to the Investors.

**Investment and Trading Risks.** An investment in a Fund involves a high degree of risk, including the risk that the entire amount invested may be lost. No guarantee or representation is made that a Fund's investment program will be successful. We will be investing substantially all of the Fund's assets in securities and instruments, some of which may be particularly sensitive to economic, market, industry, regulatory and other variable conditions. The markets in which the Funds expect to invest have experienced significant volatility and losses. No assurance can be given as to when or whether adverse events might occur that could cause immediate and significant losses to the Funds.

**Risks Associated with TMT Investing.** Investing in securities and other instruments of companies that focus on TMT sectors involves substantial risks. These risks include: certain companies in each Fund's portfolio may have limited operating histories; rapidly changing technologies and products which may quickly become obsolete; cyclical patterns in information technology spending which may result in inventory write-offs, cancellation of orders and operating losses; scarcity of management, engineering and marketing personnel with appropriate training; changing consumers' and investors' sentiment and preferences with regard to investments TMT sector investments with their resultant effect on the price of underlying securities; and volatility in the applicable markets affecting the prices of technology company securities, which may cause the performance of the Funds to experience substantial volatility. These sectors, particularly technology and its many sub-sectors, have historically been subject to significant volatility. Further, many companies in the TMT sector have proprietary technology and rely on a combination of patent, copyright, trademark and trade secret protection and non-disclosure agreements to establish and protect their proprietary rights, which may be essential to the growth and profitability of the company. There can be no assurance that a particular company will be able to protect these rights or will have the financial resources to do so, or that competitors will not develop or patent technologies that are substantially equivalent or superior to the technology of a company in which the Funds invest. Conversely, other companies may make infringement claims against a company in which the Funds invests, which could have a material adverse effect on such company. The markets in which many TMT companies operate are extremely competitive. New technologies and improved products and services are continually being developed, rendering older technologies, products and services obsolete. Moreover, competition can result in significant downward pressure on pricing. There can be no assurance that companies in which the Funds invest will successfully penetrate their markets or establish or maintain competitive advantages.

**Use of Leverage.** Where part of the strategy, we use leverage in a Fund's portfolio through margin and other debt in order to increase the amount of capital available for investments. Although leverage increases returns to the Investors, if a Fund earns a greater return on the incremental investments purchased with borrowed funds than it pays for such funds, the use of leverage decreases returns to the Investors if a Fund fails to earn as much on such incremental investments as it pays for such funds. In the event that a Fund leverages its portfolio, fluctuations in the market value of the Fund's portfolio will have a significant effect in relation to the Fund's capital and the risk of loss and the possibility of gain will each be increased. In addition, when a Fund utilizes leverage, the level of interest rates generally, and the rates at which a Fund can borrow in particular, will be an expense of the Fund and therefore affect the operating results of the Fund. Leverage increases the risk of substantial losses (including the risk of a total loss of capital), and leverage can significantly magnify the volatility of a Fund's portfolio. The Funds may use short-term margin borrowing in purchasing securities positions. Such borrowing, if made, may result in certain additional risks to a Fund. For example, should the securities pledged to brokers to secure the Fund's margin accounts decline in value, the Fund could be subject to a "margin call" pursuant to which the Fund would be required to either deposit additional funds with the broker or suffer mandatory liquidation of the pledged securities to compensate for the decline in value. In the



event of a sudden, precipitous drop in value of a Fund's assets, the Fund might not be able to liquidate assets quickly enough to pay off its margin debt.

**Short Sales.** "Short sales" are sales of securities where a Fund borrows but does not actually own such security, usually made with the anticipation that the prices of the securities will decrease and the Fund will be able to make a profit by purchasing the securities at a later date at the lower prices. Whale Rock engages in short sales in the Flagship Funds and Hybrid Fund II (but not in the Long Opportunities Funds or Hybrid I Funds) as part of hedging transactions or when it believes securities are overvalued. A Fund will incur a loss on a short sale if the price of the security increases prior to the time Whale Rock purchases the security to replace the borrowed security. A short sale presents greater risk than purchasing a security outright since there is no ceiling on the possible cost of replacing the borrowed security, whereas the risk of loss on a "long" position is limited to the purchase price of the security. Closing out a short position may cause the security to rise further in value creating a greater loss. In addition, the ability to continue borrowing the security is not guaranteed. If the short seller loses the ability to continue borrowing the security, a "buy-in" may occur, forcing the short seller to purchase the security at an inopportune moment.

Short sale transactions have been subject to increased regulatory scrutiny in response to recent market events, including the imposition of restrictions on short selling certain securities and reporting requirements. The Funds' ability to execute a short selling strategy may be materially adversely impacted by temporary and/or new permanent rules, interpretations, prohibitions, and restrictions adopted in response to these adverse market events. Temporary restrictions and/or prohibitions on short selling activity may be imposed by regulatory authorities with little or no advance notice and may impact prior trading activities of the Funds. Additionally, the SEC, its foreign counterparts, other governmental authorities and/or self-regulatory organizations may at any time promulgate permanent rules or interpretations consistent with such temporary restrictions or that impose additional or different permanent or temporary limitations or prohibitions. The SEC might impose different limitations and/or prohibitions on short selling from those imposed by various non-U.S. regulatory authorities. These different regulations, rules or interpretations might have different effective periods.

Regulatory authorities may impose restrictions that adversely affect the Fund's ability to borrow certain securities in connection with short sale transactions. In addition, traditional lenders of securities might be less likely to lend securities under certain market conditions. As a result, the Funds may not be able to effectively pursue a short selling strategy due to a limited supply of securities available for borrowing. The Funds may also incur additional costs in connection with short sale transactions, including in the event that it is required to enter into a borrowing arrangement in advance of any short sales. Moreover, the ability to continue to borrow a security is not guaranteed and the Funds are subject to strict delivery requirements. The inability of the Funds to deliver securities within the required time frame may subject the Funds to mandatory close out by the executing broker-dealer. A mandatory close out may subject the Funds to unintended costs and losses. Certain action or inaction by third parties, such as executing broker-dealers or clearing broker-dealers, may materially impact the Fund's ability to effect short sale transactions. Such action or inaction may include a failure to deliver securities in a timely manner in connection with a short sale effected by a third-party unrelated to the Funds.

**EU and UK Short Selling Regulations.** The EU short selling regulations effectively prohibit naked or uncovered short positions in equities listed on a European exchange ("European Equities") and in debt issued by the EU or any EU Member State (the "EU Short Selling Regulation"). The EU Short Selling Regulation also requires that "significant" short positions in European sovereign debt and short positions in European Equities that exceed 0.1% of the issuer's share capital are disclosed on a private basis to the relevant national regulator,



and that short positions in European Equities that exceed 0.5% of the issuer's share capital are disclosed to the market as a whole (i.e., publicly).

The UK has on-shored the EU Short Selling Regulation into its domestic law primarily through the Short Selling (Amendment) (EU Exit) Regulations 2018 (the "UK Short Selling Regulation") which affects investment firms and investment managers (irrespective of their location globally) involved in the short selling of UK listed shares and UK sovereign debt. The private notification threshold is 0.1% of the issued share capital of an issuer that has shares admitted to trading on a UK trading venue (UK regulated market and UK multi-lateral trading facility) and short positions in shares admitted to trading on a UK trading venue that exceed 0.5% of the issuer's share capital are disclosed to the market as a whole (i.e., publicly).

The Funds' ability to execute a short selling strategy may be materially adversely impacted by the EU Short Selling Regulation and the UK Short Selling Regulation, or other temporary and/or new permanent rules, interpretations, prohibitions, and restrictions adopted in response to adverse market events. The requirement to publicly disclose certain short positions in European or UK Equities may allow other market participants to discern the Funds' position in the relevant security or otherwise to determine the Investment Manager's strategy in relation to a particular security or securities, and such market participants may use such information either to replicate the Investment Manager's strategy or otherwise pursue a course of conduct that may be detrimental to the Funds. Additionally, the SEC, its foreign counterparts, other governmental authorities and/or self-regulatory organizations may at any time promulgate permanent rules or interpretations consistent with such temporary restrictions or that impose additional or different permanent or temporary limitations or prohibitions.

The Investment Manager may thereby be prevented from fully expressing its negative views in relation to European and UK Equities and sovereign debt and accordingly the ability of the Investment Manager to implement the investment approach and to fulfill the investment objective of the Funds may be constrained.

*Note this risk is not applicable to Investors in the Long Opportunities Funds and Hybrid Fund I.*

**Smaller Cap Issuers.** A portion of a Fund's assets may be invested in issuers with smaller market capitalizations. While, in our opinion, the securities of smaller-cap issuers may offer the potential for greater capital appreciation than investment in securities of larger-cap issuers, securities of smaller-cap issuers also present greater risks. For example, some smaller issuers have limited product lines, markets, or financial resources and may be dependent for management on one or a few key persons. In addition, such issuers may be subject to high volatility in revenues, expenses and earnings. Their securities may be thinly traded, may be followed by fewer investment analysts, and may be subject to wider price swings and thus may create a greater chance of loss than when investing in securities of larger-cap issuers. The market prices of securities of smaller-cap issuers generally are more sensitive to changes in earnings expectations, corporate developments, and market rumors than the market prices of larger-cap issuers. Transaction costs in securities of smaller-cap issuers may be higher than in those of large-cap issuers.

**Equity Securities of Growth Companies.** A portion of a Fund's assets may be invested in equity securities of companies that Whale Rock believes have potential for capital appreciation significantly greater than that of the market averages, so-called "growth" companies. The market capitalization of the growth companies in which a Fund will invest may range from small to large capitalizations. Growth stocks are generally more sensitive to market movements than other types of stocks, primarily because their stock prices are based heavily on future expectations. Securities of growth companies may be traded in the over-the-counter ("OTC") markets. While OTC markets have grown rapidly in recent years, many OTC securities trade less frequently and in smaller

volume than exchange listed securities. The values of these securities may fluctuate more sharply than exchange-listed securities, and a Fund may experience some difficulty in acquiring or disposing of positions in these securities at prevailing market prices.

***Undervalued Equity Securities.*** The Funds' investment strategy focuses on investing in companies that Whale Rock believes are undervalued, particularly from a longer-term perspective. Opportunities in undervalued equity securities arise from market inefficiencies or due to a lack of wide recognition of the potential impact (positive or negative) that specific events or trends may have on the value of a security. The identification of investment opportunities in undervalued securities is a difficult task, and there is no assurance that such opportunities will be successfully recognized or acquired, particularly given our desire to identify securities that are undervalued based on longer-term projections. While investments in undervalued securities offer the opportunities for above average capital appreciation, these investments involve a high degree of financial risk and can result in substantial losses.

***Preferred Securities.*** The Funds may invest in preferred stock of U.S. and foreign companies. Preferred stock, unlike common stock, offers a stated dividend rate payable from a corporation's earnings. These dividends may be cumulative or non-cumulative, participating or auction rate. If interest rates rise, the fixed dividend on preferred stocks may be less attractive, causing the prices of preferred stocks to decline. Preferred stock may have mandatory sinking fund provisions and call/redemption provisions prior to maturity, a negative feature when interest rates decline. Dividends on some preferred stock may be "cumulative", requiring all or a portion of prior unpaid dividends to be paid before dividends are paid on the issuer's common stock. Preferred stock also generally has a preference over common stock on the distribution of a corporation's assets upon liquidation of the corporation, and may be "participating", which means that it may be entitled to a dividend exceeding the stated dividend in certain cases. Preferred securities may include provisions that permit the issuer, at its discretion, to defer distributions for a stated period without any adverse consequences to the issuer. If the Funds own a preferred security that is deferring its distributions, the Funds may be required to report income for tax purposes although it has not yet received such income. Preferred securities are generally subordinate to the rights associated with an issuer's debt securities in terms of priority to corporate income and liquidation payments, and therefore are subject to greater credit risk than more senior debt instruments. Preferred securities may be substantially less liquid than many other securities.

***Exchange-Traded Funds.*** The Funds invest in ETFs for several reasons, including to adjust a Fund's exposure to the general market or industry sectors and to manage a Fund's risk exposure. ETFs and other similar instruments involve risks generally associated with investments in a broadly based portfolio of common stocks, including the risk that the general level of stock prices, or that the prices of stocks within a particular sector, may increase or decrease, thereby affecting the value of the shares of the ETF or other instruments. Because ETFs and pools that issue similar instruments incur various fees and expenses, a Fund's investment in these instruments will involve certain ongoing expenses and transaction costs, such as brokerage commissions.

***Hedging.*** A Fund may utilize certain financial instruments and investment techniques for risk management or hedging purposes. There is no assurance that such risk management and hedging strategies will be successful, as such success will depend on, among other factors, Whale Rock's ability to predict the future correlation, if any, between the performance of the instruments utilized for hedging purposes and the performance of the investments being hedged. Since the characteristics of many securities change as markets change or time passes, the success of a Fund's hedging strategies may also be subject to our ability to correctly readjust and execute hedges in an efficient and timely manner. There is also a risk that such correlation will change over time rendering the hedge ineffective. A Fund's portfolio is not expected to be adequately hedged at all times and at

various times Whale Rock may elect to be more fully hedged and at other times hedged only to a limited extent, if at all. In addition, it is more difficult for the Funds to hedge investments in private securities. Accordingly, a Fund's assets may not be adequately protected from market volatility and other conditions.

***Illiquid Securities; Designated Investments.*** A portion of Flagship and Long Opportunities Funds' assets, and up to 80% of the Hybrid Funds' assets, are expected to be invested in illiquid or private securities. Such securities may have to be held for a substantial period of time before they can be liquidated, if at all. Market prices for such securities are often volatile and may not be ascertainable. The resale of restricted and illiquid securities often may have higher brokerage charges. In addition, certain illiquid and restricted investments may be segregated as Designated Investments and may represent capital not available for withdrawal by Investors. Such investments may be difficult to value. Investors, with the exception of those in the Hybrid Funds, have the ability of opting out of investing in such Designated Investments at the time of subscription to the Funds and on an annual basis. See a related discussion of Designated Investments earlier in this Item 8.

***Limited Diversification; Focus in Technology, Media and Telecommunication ("TMT") Sectors.*** It is anticipated that the Funds will focus on investing in companies in the TMT sectors. Accordingly, such concentration could have a material adverse effect on the Funds including if any of the industries in which the Funds primarily invest experiences adverse news. Although the Funds have certain self-imposed guidelines on diversification, there are no specific limits on Whale Rock's investment discretion. This limited diversity exposes the Funds to significantly greater volatility than in a more diversified portfolio. Furthermore, these sectors, particularly technology and its many sub-sectors, have historically been subject to significant volatility.

***Arbitrage Transactions.*** Whale Rock may seek to purchase and simultaneously short two paired securities from the same industry or sector or in inversely related industries or sectors. These opportunities may arise due to, among other factors, our expectation of performance variances between two companies or by initial news or market shocks that we believe will be corrected in the short-to-intermediate term. However, there are no assurances that such arbitrage transaction will perform in the manner we expected.

***Counterparty Risk.*** Some of the markets in which a Fund may affect transactions are "over-the counter" or "interdealer" markets. The participants in such markets are typically not subject to the credit evaluation and regulatory oversight to which members of "exchange-based" markets are subject. This exposes a Fund to the risk that a counterparty will not settle a transaction in accordance with its terms and conditions because of a dispute over the terms of the contract (whether or not *bona fide*) or because of a credit or liquidity problem, thus causing a Fund to suffer a loss. Such "counterparty risk" is accentuated for contracts with longer maturities where events may intervene to prevent settlement, or where a Fund has concentrated its transactions with a single or small group of counterparties. Counterparties in non-U.S. markets face increased risks, including the risk of being taken over by the government or becoming bankrupt in countries with limited if any rights for creditors. A Fund is not restricted from concentrating any or all of its transactions with one counterparty. The ability of a Fund to transact business with any one or number of counterparties and the absence of a regulated market to facilitate settlement may increase the potential for losses by a Fund. Counterparty risks also include the failure of executing brokers to honor, execute, or settle trades.

***Innovative and Disruptive Technologies.*** Given the Funds' focus on security selection in the global TMT sector, the Investment Manager will consider innovative and disruptive technologies that are driving changes in almost all facets of the economy. It may be difficult to predict technological, operational, financial and security price performance of securities in a constantly evolving innovative disruptive environment. Companies that pursue innovation and disruption are subject to numerous risks, including (i) competition from other companies that

may have significantly greater financial and other resources, (ii) shifting user or consumer demands and frequent introductions of new products and services and (iii) the need to continually improve the performance, features and reliability of their products or services, particularly in response to possible competitive offerings.

***Purchasing Securities of Initial Public Offering.*** From time to time a Fund may purchase securities that are part of initial public offerings. The prices of these securities may be very volatile. The issuers of these securities may be undercapitalized, have a limited operating history, and lack revenues or operating income without any prospects of achieving them in the near future. Some of these issuers may only make available a limited number of shares for trading and therefore it may be difficult for the Fund to trade these securities without unfavorably impacting their prices. In addition, investors may lack extensive knowledge of the issuers of these securities. A Fund may invest in securities that are “new issues,” as defined by FINRA Rule 5130(I)(9). The FINRA Rules restricts certain persons from participating in “new issues.” FINRA Rule 5130 also contains a de minimis exemption to permit the allocation of profits and losses from new issues to such restricted persons to accommodate accounts with only a small percentage of restricted persons. The Funds currently intend to rely on such exemption.

***Risks of Investments in Options.*** Investing in options can provide greater potential for profit or loss than an equivalent investment in the underlying asset. The value of an option may decline because of a change in the value of the underlying asset relative to the strike price, the passage of time, changes in the market’s perception as to the future price behavior of the underlying asset, or any combination thereof. In the case of the purchase of an option, the risk of loss of an investor’s entire investment (*i.e.*, the premium paid plus transaction charges) reflects the nature of an option as a wasting asset that may become worthless when the option expires. Where an option is written or granted (*i.e.*, sold) uncovered, the seller may be liable to pay substantial additional margin, and the risk of loss is unlimited, as the seller will be obligated to deliver, or take delivery of, an asset at a predetermined price which may, upon exercise of the option, be significantly different from the market value. Over-the-counter options that a Fund may use in its investment strategies generally are not assignable except by agreement between the parties concerned, and no party or purchaser has any obligation to permit such assignments. The over-the-counter market for options is relatively illiquid, particularly for relatively small transactions.

***Derivative Investments.*** Derivative instruments or “derivatives” include futures, options, swaps, structured securities and other instruments and contracts that are derived from, or the value of which is related to, one or more underlying securities, financial benchmarks, currencies or indices. Derivatives allow an investor to hedge or speculate upon the price movements of a particular security, financial benchmark currency or index at a fraction of the cost of investing in the underlying asset. The value of a derivative depends largely upon price movements in the underlying asset. Therefore, many of the risks applicable to trading the underlying asset are also applicable to derivatives of such asset. However, there are a number of other risks associated with derivatives trading. For example, because many derivatives are leveraged, and thus provide significantly more market exposure than the money paid or deposited when the transaction is entered into, a relatively small adverse market movement may expose the Fund to the possibility of a loss exceeding the original amount invested. Derivatives may also expose investors to liquidity risk, as there may not be a liquid market within which to close or dispose of outstanding derivatives contracts. Swaps and certain options and other custom instruments are subject to the risk of non-performance by the swap counterparty, including risks relating to the creditworthiness of the swap counterparty. Futures positions may be illiquid because certain commodity exchanges limit fluctuations in certain futures contract prices during a single day by regulations referred to as “daily price fluctuation limits” or “daily limits.” Under such daily limits, during a single trading day no trades may be executed at prices beyond the daily limits. Once the price of a contract for a particular future has increased or

decreased by an amount equal to the daily limit, positions in the future can neither be taken nor liquidated unless traders are willing to effect trades at or within the limit. This could prevent Whale Rock from promptly liquidating unfavorable positions and subject a Fund to substantial losses.

**No Material Limitations on Strategies.** Other than the DI Limitation Cap and the Single DI Limitation, where applicable, there are no substantive limitations on the strategies that may be employed on behalf of the Funds. The Investment Manager will opportunistically implement whatever strategies it believes from time to time may be best suited to prevailing market conditions and to the Investment Manager's investment approach, expertise and personnel. Such strategies may involve higher levels of risk than the ones discussed herein. There can be no assurance that the Investment Manager will be successful in applying any strategy to the Funds' investing.

**Forward Trading.** Forward contracts and options thereon, unlike futures contracts, are not traded on exchanges and are not standardized; rather, banks and dealers act as principals in these markets, negotiating each transaction on an individual basis. Forward and "cash" trading is substantially unregulated; there is no limitation on daily price movements, and speculative position limits are not applicable. For example, there are no requirements with respect to record-keeping, financial responsibility or segregation of customer funds or positions. In contrast to exchange-traded futures contracts, interbank traded instruments rely on the dealer or contracting counterparty to fulfill its contract. As a result, trading in interbank foreign exchange contracts may be subject to more risks than futures or options trading on regulated exchanges, including, but not limited to, the risk of default due to the failure of a counterparty with which the Fund has forward contracts. Although Whale Rock seeks to trade with responsible counterparties, failure by a counterparty to fulfill its contractual obligation could expose a Fund to unanticipated losses. The principals who deal in the forward markets are not required to continue to make markets in the currencies and commodities they trade, and these markets can experience periods of illiquidity, sometimes of significant duration. There have been periods during which certain participants in these markets have refused to quote prices for certain currencies or commodities, or have quoted prices with an unusually wide spread between the price at which they were prepared to buy and that at which they were prepared to sell. Disruptions can occur in any market traded by a Fund due to unusually high trading volume, political intervention or other factors. The imposition of controls by governmental authorities might also limit such forward (and future) trading to less than that which Whale Rock would otherwise recommend, to the possible detriment of a Fund. Market illiquidity or disruption could result in significant losses to a Fund.

**Non-U.S. Securities.** A Fund may invest directly in securities of non-U.S. issuers. Foreign securities investments may be affected by changes in currency rates or exchange control regulations, changes in governmental administration or economic or monetary policy (in the United States and abroad) or changed circumstances in dealings between nations. Changes in foreign currency exchange rates relative to the U.S. dollar will affect the

U.S. dollar value of a Fund's assets denominated in that currency and thereby impact upon a Fund's total return on such assets. Investments in foreign securities will also occasion risks relating to political and economic developments abroad, including the possibility of expropriations or confiscatory taxation, limitations on the use or transfer of Fund assets and any effects of foreign social, economic or political instability. Foreign companies are not subject to the regulatory requirements of U.S. companies and, as such, there may be less publicly available information about such companies. Moreover, non-U.S. companies are not subject to uniform accounting, auditing and financial reporting standards and requirements comparable to those applicable to U.S. companies. Securities of non-U.S. issuers may be less liquid than comparable securities of U.S. issuers and, as such, their price changes may be more volatile. Furthermore, non-U.S. exchanges and broker-dealers are generally subject to less government and exchange scrutiny and regulation than their American counterparts.



Brokerage commissions, dealer concessions and other transaction costs may be higher on non-U.S. markets than in the U.S.

**Private Investments.** The Funds may make later-stage and early-stage private investments. Investments in the private equity of companies at an early stage of development involves a high degree of business and financial risk. Early-stage companies often experience unexpected problems in the areas of product development, manufacturing, marketing, financing and general management, which, in some cases, cannot be adequately solved. Early-stage companies with little or no operating history may require substantial additional capital to support expansion or to achieve or maintain a competitive position, may produce substantial variations in operating results from period to period or may operate at a loss. Investments by a fund in start-up or other early-stage companies may depend significantly on an entrepreneur or management team that Whale Rock may have selected. Such companies face intense competition, including competition from companies with greater financial resources, more extensive development, better marketing and service capabilities and a larger number of qualified management and technical personnel. The risks involved with investing in private companies are significant and may result in substantial losses to the Funds. There can be no assurance that such companies will ever be profitable or be attractive acquisition targets. The Funds may hold a private investment for a long period (e.g., five (5) years or longer). Investments in companies in a later-stage of development also involve substantial risks that are not necessarily applicable to companies with publicly traded securities. These late-stage companies typically have obtained capital in the form of debt and/or equity to expand rapidly, reorganize operations, acquire a business or develop new products and markets. These activities by definition involve a significant amount of change, which can give rise to significant problems in sales, manufacturing and general management of business activities. There is no assurance that late-stage companies will be successful and/or provide the Funds with an anticipated exit opportunity such as an initial public offering or sale.

Furthermore, the marketplace for such “venture capital investing” has become increasingly competitive. Involvement by financial intermediaries has increased, substantial amounts of funds have been dedicated to making investments in the private sector and the competition for investment opportunities is at high levels. There can be no assurance that Whale Rock will locate attractive investment opportunities in private investments. Although Whale Rock may seek protective provisions, including, at times, board representation, in connection with certain of its private investments, it is anticipated that the Funds will typically hold minority positions in companies. As a result, Whale Rock may not be in a position to exercise control over the management of such companies, the Funds may have limited ability to protect their positions in such companies, and the Funds may not have a board seat or have board observer rights. As a result, Whale Rock may not have the same level of access to information in comparison to market participants pursuing controlling interests in such companies in which the Funds invests.

The Funds’ investments in later-stage and early-stage private investments, which are not listed on established exchanges, will make a determination of the fair market value of such securities difficult to accurately determine. Furthermore, third party pricing information may at times not be available regarding certain securities. Valuation determinations made by (or on behalf of) Whale Rock, which will be conclusive and binding, may affect the amount of the Management Fee and Performance Allocation.

**Regulatory Restrictions.** The investment strategies pursued by the Funds may be affected by the U.S. state and federal laws governing the beneficial ownership of securities in public companies, which may inhibit the Funds’ ability to freely acquire and dispose of certain securities. Should the Funds be affected by such rules and regulations, it may not be able to transact in ways that would realize value for the Funds. In addition, any changes to government regulations could make some or all forms of corporate governance strategies unlawful or

impractical. Accordingly, such changes, if any, could have an adverse effect on the ability of the Funds to achieve its investment objective.

***Investment and Due Diligence Process.*** Due diligence generally entails evaluation of important and complex business, financial, tax, accounting, environmental and legal issues. Before making investments, the Investment Manager will conduct due diligence that it deems reasonable and appropriate based on the facts and circumstances applicable to each investment, including the timeframe in which a particular investment needs to be made and the information available to the Investment Manager (both of which, at times, have been and may be limited). When conducting due diligence and making an assessment regarding an investment, the Investment Manager will rely on the resources reasonably available to it. For example, outside consultants, legal advisors, accountants and other third parties may be involved in the due diligence process to varying degrees depending on the type of investment and the facts and circumstances related thereto, and the Investment Manager may rely on the advice of such parties. However, whether or not known to the Investment Manager at the time, such resources may not be sufficient, accurate, complete or reliable and due diligence may not reveal or highlight matters that could have a material adverse effect on the value of an investment. For example, there can be no assurance that the Investment Manager will be able to detect or prevent irregular accounting, employee misconduct or other fraudulent practices during the due diligence phase of an investment or during its efforts to monitor an investment on an ongoing basis.

At times, the investment opportunities pursued by the Funds require rapid execution, and investment analyses and due diligence, negotiations and decisions by the Investment Manager may be required to be undertaken on an expedited basis. From time to time, in such cases, the information available to the Investment Manager at the time of an investment decision may be limited, and the Investment Manager may not have access to detailed information regarding the investment opportunity or an opportunity to diligence and/or confirm information regarding the opportunity. Therefore, no assurance can be given that the Investment Manager will have knowledge of circumstances that may adversely affect an investment or be in a position to negotiate terms that appropriately address such risks. It frequently is difficult to obtain information as to the true condition of an issuer and the Investment Manager may rely upon the accuracy and completeness of representations made by issuers and/or their owners (which, in either case, even of themselves may be very limited in scope) in the due diligence process when it makes an investment.

Moreover, there can be no assurance that attempts to obtain downside protection with respect to assets or companies in which the Funds invests will achieve their desired effect, and in certain cases, depending on the type of security or type of issuer, an opportunity may only be available on the basis of limited representations, warranties or covenants (e.g., “covenant lite” instruments), and the lack of robust representations, warranties or covenants is likely to increase the risk associated with the investment. The Investment Manager generally, although not necessarily exclusively, pursues investment opportunities where the Funds will be a minority owner. As a result, the Investment Manager may not have the same level of access to information in comparison to market participants pursuing controlling interests. In countries where generally accepted accounting principles and practices differ significantly from those practiced in the United States, the evaluation of potential investments and the ability to perform due diligence may also be affected. For example, the assets and profits appearing on the financial statements of a company operating in one or more non-U.S. countries may not reflect its financial position or results of operations in the way they would be reflected if the financial statements had been prepared in accordance with GAAP. Accordingly, information available to the Investment Manager, including both general economic and commercial information concerning specific enterprises or assets, may be relatively less reliable, detailed or accurate. In addition, for companies that keep accounting records in local currency, inflation accounting rules may require, for both tax and accounting purposes, that certain assets and liabilities be restated on the company’s balance sheet in order to express items in terms of currency of constant

purchasing power while others do not permit such restatement. Inflation accounting may indirectly generate losses and profits or disguise true losses or profits.

**Control Issues.** Although Whale Rock may seek protective provisions, including, possibly, board representation, in connection with certain of its public and private investments, to the extent the Funds take minority positions in companies in which it invests, we may not be in a position to exercise control over the management of such companies, and, accordingly, may have a limited ability to protect the position in such companies.

**Board Appointments.** The Funds may designate a director to serve on the board of directors of certain portfolio companies as to which it obtains such rights. The designation of directors and other measures contemplated could expose the assets of the Funds to claims by a private company, its security holders and its creditors. While we will try to minimize exposure to these risks, the possibility of successful claims cannot be precluded. The Funds may be subject to certain restrictions with respect to transacting in securities of any such private company to which it has designated a director.

**Reduced Liquidity due to Inside Information.** From time to time the Investment Manager or its affiliates, or members of a group of investors or managers with which the Investment Manager is acting, may work with the management team of a company in which the Funds has invested or proposes to invest in order to design an alternate strategic plan and assist them in its execution, and may secure the appointment of persons selected by the Investment Manager or other members of the group to the company's management team or board of directors. In the course of such activities, the Investment Manager may come into possession of material, non-public information concerning such company, and the possession of such information may limit the ability of the Investment Manager to cause the Funds to buy or sell the securities issued by such company. Therefore, the Funds may be required to refrain from buying or selling such securities at times when the Investment Manager might otherwise wish to cause the Funds to buy or sell such securities.

**Environmental, Social and Governance ("ESG") Matters.** Whale Rock's consideration of ESG impacts when making investment decisions involve a number of risks including, but not limited to, the risks discussed below. When Whale Rock is evaluating potential investment opportunities for the Funds, in addition to financial return, an investment's potential to achieve a positive social or environmental impact may be considered, although the financial return will generally be the determining factor. The determination about what constitutes a positive social impact is inherently subjective, and what Whale Rock considers, in its sole discretion, to be socially beneficial may not necessarily reflect the views of all investors. Considering ESG factors when evaluating an investment in certain circumstances may, to the extent material economic risks associated with an investment are identified, cause Whale Rock not to make an investment that it otherwise would have made or to make an investment management decision with respect to an investment differently than it would have made in the absence of such consideration. Additionally, ESG factors are only some of the many factors that Whale Rock expects to consider in making an investment decision. In addition, it is possible that the companies in which the Funds invest are unable to obtain or realize the positive social or environmental impact that they seek to deliver.

**Loans of Portfolio Securities.** The Funds may lend its portfolio securities on terms customary in the securities industry, enter into reverse repurchase agreements or enter into other transactions constituting a loan of the Funds' assets. By doing so, the Funds attempts to increase its income through the receipt of interest on the loan. In the event of a default or the bankruptcy of the other party to a securities loan, the Funds could experience delays in recovering the securities it lent and there is no assurance that the securities will be recovered. To the extent that the value of the securities the Funds lent has increased, the Funds could experience a loss if such securities are not recovered.





**General Economic and Market Conditions.** The success of the Funds' activities will be affected by general economic and market conditions, such as interest rates, availability of credit, credit defaults, inflation rates, economic uncertainty, changes in laws (including laws relating to taxation of the Funds' investments), trade barriers, global sanctions and investment restrictions on companies and individuals, currency exchange controls, and national and international political circumstances (including wars, terrorist acts or security operations), health crises (such as pandemic and epidemic diseases), natural disasters and other unforeseeable and external events. These factors may affect, among other things, the level and volatility of securities' prices, the liquidity of the Funds' investments and the availability of certain securities and investments. Volatility or illiquidity could impair the Funds' profitability or result in losses. The Funds may maintain substantial trading positions that can be materially adversely affected by the level of volatility in the financial markets — the larger the positions, the greater the potential for loss.

**Market Disruptions; Governmental Intervention; Dodd-Frank Wall Street Reform and Consumer Protection Act.** The global financial markets have in recent years gone through pervasive and fundamental disruptions that have led to extensive governmental intervention. Such intervention was in certain cases implemented on an "emergency" basis, suddenly and substantially eliminating market participants' ability to continue to implement certain strategies or manage the risk of their outstanding positions. In addition, certain of these interventions have been unclear in scope and application, resulting in confusion and uncertainty which in and of itself has been materially detrimental to the efficient functioning of the markets as well as previously successful investment strategies.

The Funds may incur major losses in the event of disrupted markets and other extraordinary events in which historical pricing relationships become materially distorted. The risk of loss from pricing distortions is compounded by the fact that in disrupted markets, many positions become illiquid, making it difficult or impossible to close out positions against which the markets are moving. The financing available to the Funds from its banks, dealers and other counterparties will typically be reduced in disrupted markets. Such a reduction may result in substantial losses to the Funds. Market disruptions may from time to time cause dramatic losses for the Funds, and such events can result in otherwise historically low-risk strategies performing with unprecedented volatility and risk.

**Inflation.** Inflation and rapid fluctuations in inflation rates have had in the past, and may in the future have, negative effects on economies and financial markets. In an attempt to stabilize inflation, countries may impose wage and price controls or otherwise intervene in the economy. Governmental efforts to curb inflation often have negative effects on the level of economic activity. As such, inflation and rapid fluctuations in inflation rates can adversely affect the financial performance of the Funds. There can be no assurance that continued, and more wide-spread inflation will not become a serious problem in the future and have an adverse impact on the performance of the Funds and its Investments.

**Russia-Ukraine Conflict.** On February 24, 2022, Russia launched an invasion into Ukraine that has resulted in an ongoing military conflict between the two countries (the "Conflict"). The Conflict has caused, and may continue to cause, significant disruptions to the global financial system, among other disruptions. In addition, the Conflict has displaced millions of people, causing an acute refugee crisis in Europe, and has increased the threat of nuclear accidents or attacks, cyberattacks and further regional or global conflicts, among other potential consequences. In response to Russia's actions, multiple countries and governing bodies, including the United States and the EU, have put in place global sanctions and other severe restrictions or prohibitions on the activities of certain individuals and businesses connected to Russia and/or Belarus. Companies have also implemented restrictions that severely limit, and in some cases, reverse or cancel, business transactions in or involving certain individuals and/or businesses connected to or associated with Russia and/or Belarus. Such



sanctions and restrictions may, directly or indirectly, impact the Funds' investments and/or their Investors. In addition, the impacts of the Conflict on the supply chain and commodity prices are expected to be profound and may result in substantial inflation in one or more countries (or globally). However, the ultimate impact of the Conflict and its effect on global economic and commercial activity and conditions, and on the operations, financial condition and performance of the Funds, their investments or any particular industry, business, currency or country and the duration and severity of those effects, is impossible to predict.

***Change in Investment Strategies.*** The investment strategies, approaches and techniques discussed herein may evolve over time due to, among other things, market developments and trends, the emergence of new or enhanced investment products, changing industry practice and/or technological innovation. As a result, these investment strategies, approaches and techniques may not reflect the investment strategies, approaches and techniques actually employed by the Funds. Nevertheless, the investments made on behalf of the Funds will be consistent with the Funds' investment objective.

***Difficulty of Locating Suitable Investments.*** There can be no assurance that there will be a sufficient number of suitable investment opportunities to enable the Funds to invest all of its capital in opportunities that satisfy the Funds' investment objective or that such investment opportunities will lead to completed investments by the Funds. The availability of investment opportunities, particularly with small issuers and private issuers, generally will be subject to competition from other investment entities.

***Competition.*** The securities industry and the varied strategies engaged in by the Investment Manager are extremely competitive and each involves a degree of risk. The Funds competes with firms, including many of the larger securities and investment banking firms, which have substantially greater financial resources and research staffs. Subject to the Investment Manager's policies and procedures and compliance with applicable laws, the personnel of the Investment Manager discuss with certain other market participants (including personnel of other investment managers) the Investment Manager's research and analysis regarding certain existing and potential Fund investments (including information that would otherwise be generally maintained as confidential). While these interactions are intended to benefit the Funds, there is a risk that the sharing of such information could result in increased competition for potential investments and result in the Funds not being able to make certain investments in the amounts or at the prices that would have been obtainable had its personnel not shared such information.

***Suspension of Trading.*** For all securities traded on public exchanges, each exchange typically has the right to suspend or limit trading in all securities that it lists. Such a suspension could render it impossible for the Funds to liquidate its positions and thereby expose it to losses. In addition, there is no guarantee that non-exchange markets will remain liquid enough for the Funds to close out positions.

***Broker Risk.*** The Funds' assets may be held in one or more accounts maintained for the Funds (or the relevant master fund) by the Prime Brokers or at other brokers or custodian banks, which may be located in various jurisdictions, including emerging market jurisdictions. The Prime Brokers, other brokers (including those acting as sub-custodians) and custodian banks are subject to various laws and regulations in the relevant jurisdictions that are designed to protect their customers in the event of their insolvency. Accordingly, the practical effect of the laws protecting customers in the event of insolvency and their application to the Funds' assets may be subject to substantial variations, limitations and uncertainties. For instance, in certain jurisdictions brokers could have title to the Funds' assets or not segregate customer assets. Because of the large number of entities and jurisdictions involved and the range of possible factual scenarios involving the insolvency of a Prime Broker, another broker or a clearing corporation, it is impossible further to generalize about the effect of the insolvency of any of them on the Funds and its assets. Investors should assume that the insolvency of any of the Prime

Brokers, local brokers, custodian banks or clearing corporations may result in the loss of all or a substantial portion of the Funds' assets or in a significant delay in the Funds having access to those assets.

***Special Purposes Acquisition Companies ("SPACs").*** The Funds have and may continue to invest in SPACs. Investors in a SPAC are subject to numerous risks, including that (i) such SPAC may not be able to locate or acquire target companies by the deadline, (ii) assets held in the trust may be subject to third-party claims against such SPAC, which may reduce the per share liquidation price received by the investors in the SPAC, (iii) such SPAC may be exempt from the rules promulgated by the SEC to protect investors in "blank check" companies, such as Rule 419 promulgated under the Securities Act, so that investors in such SPAC may not be afforded the benefits or protections of those rules, (iv) such SPAC may only be able to complete one business combination, which may cause it to be solely dependent on a single business, (v) the value of any target company may decrease following its acquisition by such SPAC, (vi) the value of the funds invested and held in the trust decline, (vii) the inability to redeem due to the failure to hold the securities in the SPAC on the record date or the failure to vote against the acquisition and (viii) if the SPAC is unable to consummate a business combination, public stockholders will be forced to wait until the deadline before liquidating distributions are made. In addition, most SPACs are illiquid and have a concentrated shareholder base that tends to be comprised of hedge funds (at least at inception). The Funds may invest in a SPAC that, at the time of investment, has not selected or approached any prospective target business with respect to a business combination. In such circumstances, there may be limited basis for the Funds to evaluate the possible merits or risks of such SPAC's investment in any particular target business. To the extent that a SPAC completes a business combination, it may be affected by numerous risks inherent in the business operations of the acquired company or companies. For these and additional reasons, investments in SPACs are speculative and involve a high degree of risk.

***Portfolio Turnover.*** At times and in response to market conditions we may employ frequent trading, which can result in higher investment costs and charges to the Fund.

***Cybersecurity.*** As the use of technology has grown, there are ongoing cybersecurity risks that make Whale Rock and the Funds susceptible to operational and financial risks associated with cybersecurity. To the extent that Whale Rock is subject to a cyber-attack or other unauthorized access is gained to its systems, Whale Rock and the Funds may be subject to substantial losses in the form of theft, loss, misuse, improper release or unauthorized access to confidential or restricted data related to Whale Rock or the Funds. Cyber-attacks affecting Whale Rock's or the Fund's service providers holding its financial or investor data may also result in financial losses to the Funds and their investors, despite efforts to prevent and mitigate such risks under Whale Rock's policies. While measures have been developed which are designed to reduce the risks associated with cybersecurity, there are inherent limitations in such measures and there is no guarantee those measures will be effective, particularly since Whale Rock or the Funds do not directly control the cybersecurity measures of its service providers and financial intermediaries with which it does business.

***Alternative Data.*** Whale Rock expects to obtain and use alternative data in its investment process. Alternative data may consist of datasets that have been culled from a variety of sources, such as internet usage, payment records, financial transactions, weather and other physical phenomena sensors, applications and devices (such as smartphones) that generate location and mobility data, data gathered by satellites, and government and other public records databases (this data is sometimes referred to as "big data" or "alternative data"). We intend to apply this alternative data to better anticipate micro- and macro-economic trends and otherwise to develop or improve trading or investment themes. The analysis and interpretation of alternative data involves a high degree of uncertainty and may entail significant expense, including technological efforts, that are expected to be



borne—in whole or in part— by the Funds. No assurance can be given that Whale Rock will be successful in utilizing alternative data in its investment process.

Moreover, there has been increased scrutiny from a variety of regulators regarding the use of alternative data in this manner, and its use or misuse under current or future laws and regulations could create liability for Whale Rock and the Funds in numerous jurisdictions. We cannot predict what, if any, regulatory or other actions may be asserted with regard to alternative data, but any adverse inquiries or formal actions could cause reputational, financial, or other harm to the Firm or to the Funds. Conversely, any future limitations on the use of alternative data could have a material adverse impact on the performance of Fund portfolios.



## **Item 9 – Disciplinary Information**

Neither Whale Rock nor any of Whale Rock's management persons have had any legal or disciplinary events that would be material to a client's evaluation of Whale Rock or the integrity of Whale Rock's management.

## Item 10 – Other Financial Industry Activities and Affiliations

Whale Rock Capital Partners LLC, a Delaware limited liability company, is the general partner of the Flagship Master Fund, U.S. Flagship Fund and the Flagship AI Fund. Whale Rock Capital Long Opportunities Partners LLC, a Delaware limited liability company is the general partner of the Long Opportunities Master Fund, U.S. Long Opportunities Fund, U.S. Long Opportunities Fund II, Whale Rock Long Opportunities Fund IV, and Whale Rock Long Opportunities Fund IV Master. Whale Rock Capital Hybrid Partners LLC, a Delaware limited liability company, is the general partner of the Hybrid Master Fund I, U.S. Hybrid Fund I, Hybrid Master Fund II, and U.S. Hybrid Fund II.

The general partners and the Firm have claimed an exemption from registration with the Commodity Futures Trading Commission (the “CFTC”) as a commodity pool operator with respect to the Funds, pursuant to Rule 4.13(a)(3) of the Commodity Exchange Act of 1936, as amended (the “CEA”), because (1) either the aggregate initial margins and premiums required to establish commodity interest positions for the Fund do not exceed 5% of the liquidation value of the Fund’s portfolio or the aggregate net notional value of the Fund’s commodity interest positions do not exceed 100% of the liquidation value of the Fund’s portfolio and (2) participation in the Fund is limited to certain classes of investors recognized under the federal securities and commodities laws. Unlike a registered commodity pool operator, the general partners and the Firm are not required to deliver a disclosure document and a certified report to participants in the Funds.

Our Chief Executive Officer, Alexander Sacerdote, is the general partner of a family limited partnership (the “Family Partnership”) that is a significant owner of the U.S. Flagship Fund, U.S. Hybrid Fund II and U.S. Long Opportunities Fund. The Family Partnership consists solely of a limited number of immediate Sacerdote family members and their related trusts. As of December 31, 2023, the Family Partnership directly owns partnership interests representing approximately twelve percent (14%) of the U.S. Flagship Fund, fifteen percent (15%) of the U.S. Hybrid Fund II and three percent (3%) of the U.S. Long Opportunities Fund.

The Family Partnership owns more than ten percent (10%) but less than twenty-five percent (25%) of the Firm. The Family Partnership does not participate in the management of the Firm.

The Firm does not provide investment management services to the Family Partnership. To the extent that our Chief Executive Officer provides investment management services to the Family Partnership, he does so in his individual capacity, not on behalf of the Firm. Our Chief Executive Officer devotes a substantial majority of his business time and attention to the affairs of the Firm and the Funds.

Additionally, Mr. Sacerdote serves on the Board of Trustees and Investment Committee of Hamilton College, serves on the Board of Trustees and is the Chair of the Investment Committee at the Fessenden School and serves on the Board of Directors of the Steppingstone Foundation. Mr. Sacerdote does not receive compensation for these engagements. There are no known relationships between Whale Rock and Hamilton College or the Fessenden School. Whale Rock does not receive compensation for his engagements.

The Firm and its management persons are not registered as broker-dealers and do not have any application pending to register with the SEC as a broker-dealer or registered representative of a broker-dealer.

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

Whale Rock has adopted a Code of Ethics (the “Code”) that describes the standards of business conduct that it requires of Supervised Persons (“Supervised Persons” includes directors, officers and partners of Whale Rock (or other persons occupying a similar status or performing similar functions); employees of Whale Rock, and any other person who provides advice on behalf of Whale Rock and is subject to our supervision and control) and establishes procedures intended to prevent Whale Rock, and its Supervised Persons, from inappropriately benefiting from Whale Rock’s relationships with its clients. Whale Rock requires all Supervised Persons to sign an acknowledgement stating they will adhere to the Code.

The Code provides that:

- (i) Whale Rock’s clients’ interests come before Whale Rock’s or Supervised Persons’ interests;
- (ii) Whale Rock must disclose to clients all material facts about conflicts of which it is aware between Whale Rock’s and its Supervised Persons’ interests on the one hand and clients’ interests on the other;
- (iii) Supervised Persons must operate on Whale Rock’s and their own behalf consistently with Whale Rock’s disclosures to and arrangements with clients regarding conflicts and its efforts to manage the impacts of those conflicts;
- (iv) Whale Rock and its Supervised Persons must not take advantage of Whale Rock’s clients or their positions of trust with or responsibility to clients, and;
- (v) Whale Rock and its Supervised Persons must comply with all applicable securities laws.

### Participation or Interest in Client Transactions

Neither Whale Rock nor our Supervised Persons may recommend to clients, or buy or sell for client accounts, securities in which they have a material financial interest.

### Personal Securities Transactions

The Code places restrictions on personal trading by Supervised Persons, including accounts over which they are deemed to have beneficial interest, such as reporting personal securities holdings and transactions on at least a quarterly basis. The Supervised Persons of the Firm are permitted to trade in securities for their own accounts, subject to requirements set forth in the Code. These requirements include pre-clearance and reporting requirements as required by law or otherwise determined by the Firm. The Code of Ethics requires Supervised Persons to make a written request and receive clearance from our Chief Compliance Officer before they buy or sell any security (other than certain government securities, shares of mutual funds not managed by Whale Rock, and certain other types of securities that Whale Rock does not believe create a potential for conflicts of interest). The Code prohibits Supervised Persons from purchasing any reportable securities that currently are or may be in the near future held by client accounts or that are in certain industry designations that include technology, media and telecom companies. Supervised Persons are permitted to purchase interests in funds managed by Whale Rock subject to preclearance.



Pre-cleared transactions must be completed within 48 hours following the day on which such transaction was approved, unless otherwise specified by the Chief Compliance Officer. The Code contains specific provisions including a prohibition on direct or indirect market timing and excessive trading, as well as a 60-day holding period, subject to limited exceptions.

Supervised Persons must arrange for duplicate brokerage statements and trade confirmations to be sent electronically to Whale Rock's compliance vendor, ComplianceAlpha Employee Compliance. Whale Rock's Chief Compliance Officer monitors and reviews all Supervised Persons' securities transactions and holdings that are reported by those Supervised Persons, including holdings over which they are deemed to have beneficial interest. Additionally, Whale Rock's Chief Compliance Officer monitors Supervised Persons' investments in private placements and limited opportunities such as initial public offerings.

In addition to investing for his own accounts, our Chief Executive Officer directs or participates in directing investments for accounts of some immediate family members, including the Family Partnership of which he is the general partner. All of these accounts are subject to the same Code imposed restrictions, pre-clearance and reporting requirements as securities trading in accounts held by Supervised Persons. Investments by these accounts include investments in pooled investment vehicles, and such vehicles may from time to time invest in securities in which the Funds have also invested or in the securities of private companies that may be within one the Funds' investment strategies. The investments made by these accounts will generally be investments that, at the time of investment, are determined by Whale Rock not to align with the investment strategies of the Funds due to several factors. These factors include, but are not limited to, the enterprise value of the company, the size of the potential investment, the source of the investment opportunity, the stage of the company, and the specific sector or sub-sector in which the company operates. In addition, investments by these accounts may in the future, but do not currently, include co-investments in private companies in which the Funds have also invested. See section titled *Investing in Securities that Whale Rock or a Related Person Recommends to Clients* below for additional information. Our Chief Executive Officer and immediate family members, including the Family Partnership, are invested the Funds and beneficially own a significant portion of the U.S. Flagship Fund, the U.S. Hybrid Fund II and the U.S. Long Opportunities Fund. For additional information about the Family Partnership, see Item 10, "Other Financial Industry Activities and Affiliations."

Written notice will be provided to Fund investors if our Chief Executive Officer and immediate family members, including the Family Partnership, collectively request to withdraw more than a specified level of their investments. Otherwise, our Chief Executive Officer, the Family Partnership and the family accounts that are invested in in the Funds are generally subject to the same withdrawal terms as other Investors.

### **Material Nonpublic Information**

In addition to the Code, Whale Rock also maintains policies and procedures that are designed to prevent the misuse of material nonpublic information ("Insider Trading Policies"). Whale Rock's Insider Trading Policies prohibit the Firm and its employees from trading for the Funds or themselves, or recommending trading, in securities of a company while in possession of material nonpublic information about the company, and from disclosing such information to unauthorized persons, in violation of applicable law.

Further, Whale Rock maintains policies that contain restrictions on the giving and receiving of gifts and entertainment, and prohibitions on serving on the boards of outside companies without prior approval.



Employees of Whale Rock are required to certify to their compliance with the Code and compliance policies and procedures at hire, and at least annually thereafter.

Whale Rock will provide a copy of its Code of Ethics to any Investor (including prospective Investors) upon request. Such a request may be made by submitting a written request to Whale Rock at the address on the cover page to this brochure.

### **Investing in Securities that Whale Rock or a Related Person Recommends to Clients**

Whale Rock may, but is not required to, offer the right to participate, directly or indirectly, in investment opportunities of the Funds in whole or in part to one or more Investors in the Funds or any other investors, individuals, groups, funds, or corporations, regardless of affiliation with the Firm or its affiliates. We have the sole discretion as to whether to offer such co-investment opportunities to any Investor or other investor (each a “co-investor”). Whale Rock and its affiliates may, for example, offer such co-investment opportunities when the size of the opportunity exceeds the amount of capital that Whale Rock believes should be invested by the Funds. With respect to allocations of limited investment opportunities, such as private securities, Whale Rock will determine which Funds are eligible to participate in those opportunities based on certain factors including, among other things, each such Fund’s investment strategy and relative amounts of invested capital available. If a Fund does not have sufficient available capital, it will not participate or it may participate in a reduced manner. In this instance, Whale Rock, in its sole discretion, may offer a co-investment opportunity to a co-investor, including Whale Rock employees. Whale Rock does not currently advise a co-investment vehicle.

Co-investors directly or indirectly generally will compensate us, and that compensation may not be the same as the fees and performance allocation that we receive from a Fund. We and our affiliates expect to receive fees and/or a performance allocation from co-investors, which may differ as among co-investors, and which will differ from the fees and/or performance allocation payable to us and our affiliates by the Funds. To the extent that the fees and/or a performance allocation from co-investors differ from those paid by certain clients, we will have a conflict of interest in determining the appropriate allocation to clients with respect to such investments. Additionally, co-investors will generally share expenses pro rata with Investors in the Funds. However, in some circumstances, co-investors will not bear certain expenses (e.g., broken deal expenses) that are borne by Investors in connection with their investments in the Fund. Co-investors may have rights in addition to, and be subject to different terms as compared to, the rights and terms applicable to Investors in the Funds. For example, co-investors may receive minority protections, board seats or other control rights and may have different or advantageous rights with respect to their ability to exit the co-investment.

## Item 12 – Brokerage Practices

### Broker Selection; Research and Other Soft Dollar Benefits

We are responsible for selecting broker-dealers to execute trades and negotiating any commissions paid on such transactions. Our primary consideration in placing transactions with particular broker-dealers is to obtain execution in the most effective manner possible. We also take into account a variety of other factors, including the financial strength, integrity and stability of the broker-dealer and the commissions charged. We may also consider the quality, comprehensiveness and frequency of available research and other products and services considered to be of value. The products and services furnished by broker-dealers may include, among other things, written information and analyses concerning specific securities, companies or sectors; market, financial and economic studies and forecasts; meetings with members of management in companies being evaluated; and statistics and pricing or appraisal services, discussion with research personnel, special execution capabilities, and the availability of stocks to borrow for short trades. To acquire such products and services for use by the Funds, we are authorized by the Funds to pay higher commissions to brokerage firms that provide us with such research and trading related products and services if we determine that such commissions are reasonable in relation to the overall services provided. Accordingly, a Fund may be deemed to be paying for research and other products and services with “soft” or commission dollars. It is anticipated that the use of commissions or “soft dollars” to pay for research products or services will fall within the safe harbor created by Section 28(e) of the Securities Exchange Act of 1934, as amended. Under Section 28(e), research obtained with soft dollars generated by one Fund may be used by us to service accounts other than the Fund. Where a product or service obtained with soft dollars provides both research and non-research assistance to us, we will make a reasonable allocation of the cost which may be paid for with soft dollars.

Whale Rock currently uses “soft dollars” to the benefit of all of the Funds’ accounts, and we believe that such benefits are shared proportionately. The “soft dollar” benefits we received last year were resources that assist us in the deep fundamental research we perform on our investments. These resources include sell side investment research, access to sell side analysts, and specialized research platforms that allow us to monitor positions, aggregate research, analyze market data and gain access to sell side research and company filings. Whale Rock evaluates the resources we receive on a periodic basis to seek to ensure adequate value is being received for commission dollars spent.

When brokerage commissions relating to transactions for Funds are used to obtain research or other products or services, we receive a benefit because we do not have to produce or pay for the research, products or services. We have an incentive to select a broker-dealer based on our interest in receiving the research or other products or services, rather than on the Funds’ interest in receiving most favorable execution.

Each of the Flagship Master Fund, the Flagship AI Fund, the Long Opportunities Master Fund, the U.S. Long Opportunities Fund II, Long Opportunities Fund IV Master, Hybrid Master Fund I, and Hybrid Master Fund II has an account established at one (or more) prime brokers for the prime broker to clear and settle each Fund’s securities and options transactions. Settlement functions normally include, among other matters, arranging for (i) the receipt and delivery of securities purchased, sold, borrowed and loaned, (ii) the making and receiving of payments, (iii) custody of securities fully paid for or not fully paid for and (iv) custody of all cash, dividends and exchanges, distributions and rights accruing to the Fund’s account. Each Fund may utilize other prime

brokers from time to time. Each Fund is not committed to continue its relationship with the prime broker for any minimum period and the Fund may, in its sole discretion, select other brokers to act as prime broker to the Fund. The prime broker will generally maintain custody of each Fund's securities, although in certain instances other brokers that execute transactions for a Fund will maintain custody of a Fund's assets.

The prime broker may provide services to us distinct from the custodial, lending and related services the prime broker provides to the Funds. On occasion, a prime broker or a broker will introduce us to prospective Investors for one or more Funds and other accounts. To the extent that we receive such services, conflicts exist between our interests and the interests of the relevant Fund rather than on a Fund's interest in receiving most favorable execution. We believe that the rates of compensation paid to the prime broker and to brokers by the Funds are reasonable and competitive with rates charged by other prime brokers and brokers for services of comparable quality.

We do not direct client transactions to a particular broker-dealer in return for Investor referrals. We do not recommend, request, require or permit a client to direct us to execute transactions through a specified broker-dealer.

The investment programs of the Funds include trading as well as investments, and short-term market considerations frequently are involved. The turnover of a Fund's portfolio (and the concomitant brokerage, custodial and other transaction costs and expenses) is greater than the turnover rates (and transaction costs and expenses) of many other types of investment vehicles.

### **Allocation and Aggregation**

Whale Rock's policy is to allocate investment opportunities among the Funds in a fair and equitable manner over time, taking into account each client's investment strategy and best interests and to prevent any favoring or discriminating against any client or group of clients. Whale Rock prohibits allocation of trades in a manner whereby any particular client or group of clients would receive more favorable treatment than other client accounts. As a general matter, as between Funds that utilize the same strategy, transactions will be allocated pro-rata amongst participating Funds based on each account's beginning of day assets under management. Where Funds employ different strategies but transact in similar issuers, adjustments will be made to allocation percentages so as to achieve a fair and equitable outcome. For example, allocations between the Flagship Funds and the Long Opportunities Funds and Hybrid I Funds, other than allocations in response to fund flows, generally are based upon the value of eligible long assets in the Flagship Funds and adjusted for leverage. Allocations between the Flagship Funds and the Hybrid II Funds, other than allocations in response to fund flows, generally are based upon the value of eligible long and short securities in the Flagship Funds and are not adjusted for leverage.

When the purchase and sale of securities is considered to be in the best interest of more than one Fund, the securities to be purchased or sold will generally be aggregated into a single order. The decision to aggregate is made in situations where it does not, over time, intentionally favor any account over another and it does not systematically advantage or disadvantage any account over another. Aggregating orders may enable Whale Rock to reduce transaction costs or market impact on a per-unit and per-dollar basis, though aggregation may have the opposite effect in certain circumstances. When orders are not aggregated, a Fund may pay prices for transactions that are more or less than the Fund would have paid had the order been aggregated. In the case of a partial fill of a given order, each Fund involved in a particular transaction will accordingly receive a percentage of the executed portion of such order based upon each Fund's pro-rata portion of the entire order. Furthermore, if there are multiple executions for a given order on a given day, securities purchased or proceeds of securities sold

through aggregated orders are allocated pro-rata to each client Fund that participated in such transaction at the average execution price and transaction costs will be shared based upon each Fund's pro-rata portion of the entire order. In such instances, allocation of prices, as well as expenses incurred in the transaction, are made in a manner that we consider to be equally as favorable to each Fund.

Differences between Funds may lead to certain Funds not participating in a transaction or Funds' orders in the same security being traded separately. Reasons for such an approach may include but are not limited to the following: fund inflows/outflows, investment restrictions, client guidelines, strategy differences, beneficial ownership thresholds, liquidity factors, counterparty selection, existing positions, rebalance transactions, or regulatory limitations. Whale Rock recognizes that no allocation formula will lead to a fair and equitable result in all circumstances. Therefore, Whale Rock may adjust its allocation procedures in certain circumstances in order to achieve what it deems to be a fair and equitable result.

*Allocation of New Issues ("IPOs").* The availability of IPO shares is generally limited; this is particularly the case with "hot issues" where the demand for participation in such transactions far exceeds the supply of shares that are available. This scenario typically results in higher market prices for IPO shares when the offering first begins to be publicly traded. The allocation of IPO shares to interested investors, such as to Whale Rock for allocation to the Funds is made by the underwriter of the transaction. These allocations by the underwriter are based on many factors, including the investors' past business with the underwriter. In certain circumstances and as consistent with applicable law and our best execution obligations, Whale Rock may decide to convey an indication of interest in the IPO shares to the underwriters for our clients' accounts on an aggregated basis. Our ability to receive IPO allocations for our clients and those of our may be partially based on the trading activity of all accounts managed by Whale Rock, including the trading activity of accounts that will not be eligible to receive allocations of IPO shares.

In the event Whale Rock participates in any new issues, Whale Rock's policy and practice is to allocate new issue shares fairly and equitably among our advisory clients according to a specific and consistent basis so as not to favor or disfavor any client, or group of clients, over any other. Where client account guidelines permit participation in IPOs, shares are generally allocated to such client accounts as described above while taking into account the anticipated market capitalization of the issuer. For example, due to average trading volume thresholds applicable to certain of the Funds' strategies, if a security's IPO market capitalization is less than \$10B USD it is anticipated that only the Flagship Funds will receive allocation. However, in instances where a security's IPO market capitalization is equal to or greater than \$10B USD it is generally expected that the Flagship Funds, the Hybrid Funds, and the Long Opportunities Funds will participate. Notwithstanding the foregoing, the Long Opportunities Funds and the Hybrid Funds may invest in the publicly traded securities (including in IPOs with a market capitalization less than \$10B USD) of companies that any of the foregoing funds held as Designated Investments, even if the average trading volume does not meet the \$50 million threshold.

*Allocation of Private Securities ("Designated Investments").* Investments in Designated Investments are often subject to limited availability. The Flagships Funds and Long Opportunities Funds will invest in private securities, but the percentage of the Whale Rock Hybrid Funds' net assets that may be invested in private securities is substantially greater than for the Flagships Funds and Long Opportunities Funds. Allocation of private investment opportunities among the Whale Rock Hybrid Funds, the Flagships Funds, Long Opportunities Funds, and any other accounts will be made in Whale Rock's judgment based upon such factors as it may determine, which may include, but are not limited to, available capital to make the investment, current portfolio holdings, liquidity requirements, and risk profiles. However, it is anticipated that the investments in Designated Investments by the Flagships Funds and Long Opportunities Funds and the Whale Rock Hybrid Funds will

typically be allocated based on the available capacity that each fund has to invest in Designated Investments, taking into consideration each Fund's applicable limitations.

It is Whale Rock's general policy not to engage in cross trade transactions. In the event that Whale Rock decides to enter into a cross trade transaction between client accounts it will ensure that doing so is in the best interest of each participant and further that neither participant is subject to ERISA with less than \$100 million in assets.

### **Trade Errors**

Whale Rock has the responsibility to effect orders correctly, promptly and in the best interests of our clients. In the event any error occurs in the placement, execution or settlement of any client transactions, due to Whale Rock's actions, or inaction, or actions of others, Whale Rock's policy is to seek to identify and correct any errors as promptly as possible without disadvantaging the Fund or benefiting Whale Rock in any way.

As disclosed in each Fund's governing documents, in the absence of gross negligence or willful misconduct, losses related to trade errors will be absorbed by the Fund(s). If a trade error results in a gain to the Fund, the Fund shall retain such gain. Gains resulting from trade errors are not used to offset reimbursable losses unless the gains and losses result from the same transaction. Whale Rock has incentives to avoid trading errors for reputational reasons as well as the fact that certain owners and employees of Whale Rock invest in the Funds and Whale Rock will indirectly suffer the consequences of trading errors through the Performance Allocation payable to the general partners, which are under common control with Whale Rock. Nevertheless, Investors should assume that trading errors will occur periodically and that the Funds will be responsible for any resulting losses, even if such losses result from the negligence (but not gross negligence) of Whale Rock's personnel.

## Item 13 – Review of Accounts

### Review of Accounts

The Funds' portfolios are reviewed by Mr. Sacerdote and the Firm's investment team on a regular basis (typically daily) to ensure appropriate exposure and risk levels based on market conditions. This review is done via a real-time portfolio monitoring tool provided to us through the Eze Castle OMS System. On a monthly basis Whale Rock's Finance and Accounting Group reviews each Fund to determine that investment activities comply with the restrictions of the offering documents and to reconcile positions, valuations, cash, corporate actions, and performance between custodians and Whale Rock's books and records.

### Reports

Each Investor receives the following reports:

Monthly:

- An unaudited estimate of net fund performance as of mid-month and month-end.
- A capital statement showing individual Investor returns and activity.
- Summary statement regarding the Fund which details historical fund performance, exposures, and risk statistics.

Quarterly:

- A letter from Whale Rock's CEO.

Yearly:

- Audited fund financial statements
- An unaudited tax estimate as of 10/31 for investors in the U.S. Flagship Fund, U.S. Long Opportunities Fund, U.S. Long Opportunities Fund II, U.S. Hybrid Fund I, U.S. Hybrid Fund II and the AI Fund.
- Schedule K-1s for investors in the U.S. Flagship Fund, U.S. Long Opportunities Fund, U.S. Long Opportunities Fund II, U.S. Hybrid Fund I, U.S. Hybrid Fund II and the AI Fund.



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

Whale Rock does not receive any economic benefit from a person who is not a client for providing investment advice or other advisory services to Whale Rock’s clients. Whale Rock does not directly compensate any person for Advisory Client referrals.

Whale Rock has engaged placement agents, solicitation agents or finders for the interests/shares in certain of the Funds (“Selling Agents”). Whale Rock pays Selling Agents a portion of the fees paid to Whale Rock or other compensation. In certain instances, an Investor who is introduced to a Fund through a Selling Agent may be charged by the Selling Agent a commission, equal to a percentage of the subscription. The commissions charged to each Investor will vary among the Selling Agents, and each Selling Agent may charge different Investors different selling commissions, depending on the amount invested and other factors. Selling commissions may be waived in whole or in part by the relevant Selling Agent. If a commission is charged, the affected Investor will be notified of the commission charged in respect of its investment by the Selling Agent.

## Item 15 – Custody

Whale Rock does not maintain physical possession of Fund cash or securities. However, Whale Rock is deemed to have custody of the Funds' assets because it has the authority to obtain client funds or securities, and because affiliates serve as general partners to the Funds. Account statements related to the Funds are sent by qualified custodians to Whale Rock and the Funds' general partners. Each Fund's assets (other than certain privately offered securities) are held in custody by unaffiliated broker-dealers or banks acting in the capacity of "qualified custodians" pursuant to the Investment Advisers Act of 1940.

Whale Rock is subject to Rule 206(4)-2 under the Investment Advisers Act of 1940 (the "Custody Rule") has implemented procedures to safeguard Fund assets. However, we are not required to comply with certain elements of the Custody Rule with respect to each Fund because we comply with the provisions of the "Pooled Vehicle Annual Audit Exception", whereby each Fund is subject to audit at least annually by an independent public accountant that is registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board, and required that each Fund distribute its audited financial statements to all investors within 120 days of the end of its fiscal year.

*Investors should carefully review the Funds' audited financial statements and compare these statements to any financial information that may be distributed by Whale Rock.*





## Item 16 – Investment Discretion

As the investment adviser to the Funds, Whale Rock has broad discretion, without limitation, to determine the:

- securities to be bought or sold for the Funds' accounts;
- amount of securities to be bought or sold for the Funds' accounts;
- broker or dealer to be used for a purchase or sale of securities for the Funds' accounts; and
- commission rates to be paid to a broker or dealer for the Funds' securities transactions.

Each Investor authorizes such discretion in the Funds' governing documents.

## Item 17 – Voting Client Securities

Whale Rock has adopted and implemented policies and procedures that we believe are reasonably designed to ensure that proxies are voted in the best interest of our clients, in accordance with Rule 206(4)-6 under the Investment Advisers Act of 1940.

Whale Rock’s authority to vote the proxies of our clients is established in our investment management agreements or comparable documents, and our proxy voting guidelines have been tailored to reflect these specific contractual obligations. Clients and Investors are not permitted to direct Whale Rock how to vote proxies. In accordance with SEC Rule 206(4)-6, Whale Rock will provide a copy of our proxy voting policy to any Investor in a Fund, or any other client or prospective client, upon request. Investors may request a copy of our proxy voting policy, as well as information regarding how Whale Rock voted proxies on behalf of a Fund in which such Investor holds an interest, by contacting Whale Rock using the contact information on the cover page of this brochure.

### Voting Guidelines

Whale Rock votes its proxies according to the best interests of its clients. Whale Rock has appointed Glass, Lewis & Co. (“Glass Lewis”) as our proxy voting agent. Proxy votes made by Glass Lewis on behalf of Whale Rock will follow Glass Lewis recommendations (according to their Proxy Paper Policy Guidelines, which are developed to vote proxies in the best interests of shareholders and are updated annually). However, if warranted Whale Rock can override the recommendations of Glass Lewis and vote one or more proxies according to Whale Rock’s determination of their clients’ best interests. Whale Rock’s policy is to vote all proxies from a specific issuer the same way for each Fund. In certain circumstances, shares of public companies held by the Funds that are on loan under securities lending agreements or rehypothecated may not be able to be voted.

The Chief Compliance Officer has the responsibility for reviewing the Glass Lewis Proxy Paper Policy Guidelines and for overseeing the services provided by Glass Lewis. Oversight of Glass Lewis is further governed by the Firm’s Vendor Management Program.

### Conflicts of Interest

Whale Rock will identify any conflicts that exist between the interests of the adviser and the client by reviewing the relationship of Whale Rock with the issuer of each security to determine if Whale Rock or any of its employees has any financial, business or personal relationship with the issuer which may affect how a particular proxy vote is cast.

If a material conflict of interest exists, the Chief Compliance Officer will determine whether it is appropriate to disclose the conflict to the affected clients, or to address the voting issue through other objective means such as voting in a manner consistent with a predetermined voting policy or receiving an independent third-party voting recommendation.



### **Class Actions**

Whale Rock utilizes Battea Class Action Services (“Battea”) to provide class action litigation monitoring and securities claim filing services on behalf of the Funds (with our oversight). Any compensation received as the result of participation in a class action settlement is paid to the Funds pro-rata based on the percentage of the relevant holding in each portfolio. For its services Battea is paid based on a percentage of the proceeds recovered from a class action filing. It should be noted that the Funds bear the cost (i.e., receive a reduced amount of the class action proceeds) of any third party used for class action recovery services. We credit any class action settlements received for a Fund to current investors in that particular Fund.



## **Item 18 – Financial Information**

Whale Rock does not solicit or require prepayment of more than \$1200 per client, six months or more in advance, and has no financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients. Whale Rock has not been the subject of a bankruptcy petition at any time over the past ten years.