

Form ADV, Part 2A

Firm Brochure

Wishbone Management, LP

March 29, 2019

This brochure provides information about the qualifications and business practices of Wishbone Management, LP (“Adviser”). If you have any questions about the contents of this brochure, please contact us at (312) 265-5560. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Registration with the SEC or with any state securities authority does not imply a certain level of skill or training.

Additional information about the Adviser also is available on the SEC’s website at www.adviserinfo.sec.gov.

Wishbone Management, LP
155 North Wacker Drive
Suite 4650
Chicago, Illinois 60606
Tel.: (312) 265-5560
Fax: (312) 265-5561

Item 2. Material Changes

There have been no material changes made to the Brochure since the Adviser's last annual update, which was filed on March 31, 2018.

Notice of Upcoming Change:

Ruane, Cunniff & Goldfarb LLC ("RCGL"), a registered broker-dealer in which the Adviser's control person has an indirect ownership interest, expects to cease operations in June 2019. References in this Brochure to RCGL will no longer be applicable as of RCGL's cessation of operations. Additionally, it is anticipated that, at that time, the Adviser will modify certain of its contractual arrangements with Ruane, Cunniff & Goldfarb L.P. ("RCG"), a registered investment adviser which currently acts as discretionary adviser to the Adviser's clients, and the Adviser will resume providing discretionary advisory services to its clients. The Adviser intends to update its Form ADV to reflect these changes after they occur. The updated Form ADV will be available on the SEC's website at www.adviserinfo.sec.gov.

Item 3. Table of Contents

TABLE OF CONTENTS

	Page
Item 2. Material Changes.....	2
Item 3. Table of Contents	3
Item 4. Advisory Business	4
Item 5. Fees and Compensation	4
Item 6. Performance-Based Fees and Side-By-Side Management	4
Item 7. Types of Clients	5
Item 8. Methods of Analysis, Investment Strategies and Risk of Loss.....	5
Item 9. Disciplinary Information.....	9
Item 10. Other Financial Industry Activities and Affiliations	9
Item 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	10
Item 12. Brokerage Practices	11
Item 13. Review of Accounts	11
Item 14. Client Referrals and Other Compensation	11
Item 15. Custody	11
Item 16. Investment Discretion	11
Item 17. Voting Client Securities	11
Item 18. Financial Information.....	13

Item 4. Advisory Business

Wishbone Management, LP (the “Adviser”) is an SEC registered investment adviser with its principal place of business in Chicago, Illinois. The Adviser began conducting business in 2007 and has been registered with the SEC since May 2016. Mr. John Harris is the managing member of Wishbone Management GP, LLC, the general partner of the Adviser.

The Adviser provides sub-investment advisory and other services on a non-discretionary basis to private funds intended for sophisticated individual investors and institutional investors.

The Adviser provides investment advice in a manner which is consistent with its overall investment objective and strategy, which seeks long-term growth of capital. The Adviser seeks to meet this overall objective and strategy by recommending equity and debt securities of issuers identified by the Adviser through its fundamental, bottom-up analysis of issuers, and any other types of securities including, without limitation, derivative instruments.

As of December 31, 2018, the Adviser had approximately \$591 million regulatory assets under management which are managed on a non-discretionary basis.

Item 5. Fees and Compensation

The fees charged by the Adviser or its affiliates to private funds which it advises, including any investment advisory fees and performance-based fees, are described in the legal documentation for such private funds.

Clients are subject to other expenses such as brokerage commissions and costs associated with foreign exchange transactions. Client assets may be invested in money market mutual funds or other registered or unregistered investment companies, private funds or other investment entities. In these cases, the client bears its pro rata share of the investment management fee and other fees of the fund in which the assets are invested. The management and other fees of the fund in which assets are invested are described in the legal documentation. Please refer to Item 12 of this Firm Brochure for a discussion of brokerage practices applicable to clients of the Adviser.

Ruane, Cunniff & Goldfarb LLC (“RCGL”), a registered broker-dealer in which the Adviser’s control person has an indirect ownership interest, receives compensation in connection with the use of RCGL to execute client securities transactions. Please refer to Item 10 of this Brochure for more information concerning this compensation.

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

The Adviser and certain of its supervised persons provide sub-investment advisory and other services to private funds. The Adviser (or an affiliate of the Adviser) receives performance-based compensation from private funds for which it provides advisory and other services. Because the Adviser and its supervised persons provide investment advice to multiple clients, potential conflicts exist for one client account to be favored over another client account. The Adviser and its investment personnel have, for example, a greater incentive to favor client accounts from which they (or an affiliate) receive (or potentially receive) higher compensation.

The Adviser has adopted and implemented policies and procedures that are intended to address conflicts of interest relating to advising multiple clients and the allocation of investment opportunities. The Adviser reviews investment advice for the purpose of seeking to ensure that all clients with substantially similar investment objectives are treated equitably over time. The Adviser's procedures relating to the allocation of investment opportunities require that similarly-managed clients receive investment advice and participate in investment opportunities pro rata based on asset size (based on the value of the assets of each participating client relative to value of the assets of all participating clients, including those advised by Ruane, Cunniff & Goldfarb L.P. ("RCG") and Conifer Management, LLC ("Conifer Management," and together with RCG, each a "Related Adviser" and together the "Related Advisers"), each an investment adviser registered with the SEC and subject to the Adviser's and the Related Advisers' allocation policies and procedures. These areas are monitored by the Adviser's Chief Compliance Officer.

Item 7. Types of Clients

The Adviser's clients consist of private funds. Any initial and additional subscription minimums are disclosed in the legal documents for such private fund clients.

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

The Adviser typically advises clients in accordance with its overall investment objective and strategy, which seeks long-term growth of capital. The Adviser uses fundamental analysis in formulating investment advice for client assets. Fundamental analysis of issuers involves analyzing an issuer's financial statements, management and competitive advantages, and competitors and markets. The Adviser typically employs bottom-up fundamental analysis.

The Adviser employs a variety of investment strategies or techniques, including the following investment strategies, in providing advisory services to clients:

- *Buy and Hold.* The Adviser typically recommends a buy and hold investment strategy wherein it recommends holding securities for relatively longer periods of time, regardless of short-term factors such as fluctuations in the market or volatility of the stock price.
- *Focused Portfolio/Non-diversification.* The Adviser focuses its investment recommendations on a limited number of issuers and does not recommend diversifying investments among types of securities, countries or industry sectors.
- *Margin transactions.* The Adviser may recommend securities for a client's portfolio with money borrowed against the value of the assets in the client's custodial account. Margin transactions permit a client, for example, to acquire more securities than the client otherwise could if using available cash only.
- *Hedging.* The Adviser may recommend utilizing a variety of financial instruments such as derivatives, options, interest rate swaps, caps and floors, futures and forward contracts for speculation and/or risk management purposes.
- *Short Selling.* The Adviser may recommend engaging in short selling strategies. In a short sale transaction, a security is sold for a client that the client does not own in anticipation that the market price of that security will decline. Short sales are used as a form of hedging to offset

potential declines in long positions in similar securities, in order to maintain flexibility, and for speculation.

- *Derivatives.* The Adviser may recommend the purchase or sale of derivative instruments, including options, warrants, forwards, futures and swaps. Derivatives are used as a form of hedging, in order to maintain flexibility, and for speculation.

These methods, strategies, and investments involve risk of loss to clients, and clients must be prepared to bear the loss of their entire investment. The material risks relating to the Adviser's investment strategies include the following:

- *Market and Manager Risks.* Securities which the Adviser recommends will fluctuate as the markets for those securities fluctuate. The prices of these securities will decline, perhaps severely, over short-term or long-term periods. Performance of individual securities can vary widely. In addition, the investment recommendations of the Adviser may cause the strategy or an account to underperform other strategies, investments or benchmark indices. The Adviser may be incorrect in assessing a particular industry or a company, including the anticipated earnings growth of the company. The Adviser may not recommend chosen securities at the lowest possible prices or sell securities at the highest possible prices.
- *Buy and Hold.* Buy and hold investment strategies bring specific risks to a securities portfolio. Under a buy and hold investment strategy, the Adviser may not recommend taking advantage of short-term gains in a security that could be profitable to a client. Moreover, if the Adviser's predictions are incorrect, a security may decline sharply in value before the security is sold.
- *Focused Portfolio/Lack of Diversification.* Clients will not be advised to diversify among a wide range of types of securities, countries or industry sectors. Accordingly, client portfolios may be subject to more rapid change in value than might be the case if the Adviser were to recommend maintaining a wider diversification among types of securities and other instruments, countries or industry sectors.
- *Margin.* The performance of clients utilizing margin may be more volatile. Margin trading increases exposure to market risk. In addition, the downside of trading on margin is not limited to the value of collateral in the margin account. When the value of securities acquired on margin falls below maintenance margin requirements or other applicable requirements, the lender may make a margin call or sell securities from the account. If the sale does not cover the deficiency, the investor will be responsible for the shortfall.
- *Short Selling.* Short selling transactions expose a client's portfolio to the risk of loss in an amount greater than the initial investment, and such losses can increase rapidly and without effective limit. There is the risk that the securities borrowed by a client in connection with a short sale would need to be returned to the securities lender on short notice. If such request for return of securities occurs at a time when other short sellers of the subject security are receiving similar requests, a "short squeeze" can occur, wherein the client might be compelled, at the most disadvantageous time, to replace the borrowed securities previously sold short with purchases on the open market, possibly at prices significantly in excess of the proceeds received earlier.
- *Derivatives.* Derivative transactions may expose a client's portfolio to the risk of loss in an amount greater than the initial investment, and such losses can increase rapidly and without

effective limit. The performance of the clients utilizing derivative transactions may be more volatile.

- *Hedging.* There can be no assurance that a particular hedge is appropriate, or that certain risk is measured properly. Further, while the Adviser may recommend hedging transactions to seek to reduce risk, such transactions may result in poorer overall performance and increased (rather than reduced) risk for the Adviser's clients than if the Adviser did not recommend any such hedging transactions.

The Adviser recommends investments in equity securities of U.S. and non-U.S. issuers. The Adviser also recommends investments in fixed-income and debt securities. The Adviser may also recommend other securities and instruments, including derivatives. The following risks are those most commonly associated with the types of securities and instruments in which the Adviser primarily recommends for its clients.

- *Equity Securities.* The value of equity securities fluctuates in response to issuer, political, market, and economic developments. Fluctuations can be dramatic over the short as well as long term, and different parts of the market and different types of equity securities can react differently to these developments. For example, large cap stocks can react differently from small cap stocks, and "growth" stocks can react differently from "value" stocks. Issuer, political, or economic developments can affect a single issuer, issuers within an industry or economic sector or geographic region, or the market as a whole. Changes in the financial condition of a single issuer can impact the market as a whole. Terrorism and related geo-political risks have led, and may in the future lead, to increased short-term market volatility and may have adverse long-term effects on world economies and markets generally.
- *Fixed-Income and Debt Securities.* Investment in fixed-income and debt securities, such as asset-backed securities, residential mortgage backed securities, commercial mortgage backed securities, investment grade corporate bonds, non-investment grade corporate bonds, loans, sovereign bonds and U.S. government debt securities and financial instruments that reference the price or interest rate associated with these fixed-income securities, subject a client's portfolios to the risk that the value of these securities overall will decline because of rising interest rates. Similarly, portfolios that hold such securities are subject to the risk that the portfolio's income will decline because of falling interest rates. Investments in these types of securities will also be subject to the credit risk created when a debt issuer fails to pay interest and principal in a timely manner or that negative perceptions of the issuer's ability to make such payments will cause the price of the debt to decline. The Adviser may also recommend debt securities which are not protected by financial covenants or limitations on additional indebtedness. Most fixed-income instruments trade in over-the-counter transactions and lack the benefit of transparent exchange pricing. Bid and asks for these instruments are generally wider than equity securities, and trading is less frequent. These factors may cause distortions and/or volatility in the prices of fixed income-related instruments. Lastly, investments in debt securities may fluctuate more in price, and be less liquid, than higher-rated securities because issuers of such lower-rated debt securities are not as strong financially and are more likely to encounter financial difficulties and be more vulnerable to adverse changes in the economy.
- *Interest Rate Risks.* Generally, the value of fixed-income securities changes inversely with changes in interest rates. As interest rates rise, the market value of fixed-income securities tends

to decrease. Conversely, as interest rates fall, the market value of fixed-income securities tends to increase. The risk is greater for long-term securities than for short-term securities.

- *Non-U.S. Securities.* Foreign securities, foreign currencies, and securities issued by U.S. entities with substantial foreign operations can involve additional risks relating to political, economic, or regulatory conditions in foreign countries. These risks include fluctuations in foreign currencies, withholding or other taxes, trading, settlement, custodial, and other operational risks, and the less stringent investor protection and disclosure standards of some foreign markets. All of these factors can make foreign investments, especially those in emerging markets, potentially more volatile and less liquid than U.S. investments. In addition, foreign markets can perform differently from the U.S. market.
- *Emerging Markets.* There are greater risks associated with investments in securities of issuers located in less developed countries than investments in securities of issues located in the U.S. and other developed markets. Political risk for many developing countries is a significant factor. During certain social and political circumstances, governments may be involved in policies of expropriation, confiscatory taxation, nationalization, intervention in the securities market and trade settlement, and imposition of foreign investment restrictions and exchange controls. In comparison to more developed markets, trading volumes in emerging markets may be lower, which can result in a lack of liquidity and greater price volatility.
- *Derivatives.* Derivative instruments, including options, warrants, forwards, futures and swaps, in which the clients invest are subject to the risk of nonperformance by the counterparty to such instrument, including risks relating to the financial soundness and creditworthiness of the counterparty. In addition, investments in derivative instruments may require a high degree of leverage, meaning the overall contract value (and, accordingly, the potential for profits or losses in that value) is much greater than the modest deposit used to buy the position in the derivative contract. Derivative securities can also be highly volatile. The prices of derivative instruments and the investments underlying the derivative instruments may fluctuate rapidly and over wide ranges and may reflect unforeseeable events or changes in conditions, none of which can be controlled by a client or the Adviser. Further, transactions in derivative instruments may not be undertaken on recognized exchanges, which could expose the client's account to greater risks than regulated exchange transactions that provide greater liquidity and more accurate valuation of securities.
- *Illiquid Instruments.* Certain instruments may have no readily available market or third-party pricing. Reduced liquidity may have an adverse impact on market price and the ability to sell particular securities when necessary to meet liquidity needs or in response to a specific economic event, such as the deterioration of creditworthiness of an issuer. Reduced liquidity in the secondary market for certain securities may also make it more difficult to obtain market quotations based on actual trades for the purpose of valuing a client's portfolio. In some cases, the relevant portfolio may be contractually prohibited from disposing of these securities for a specified period of time.

Investors in the private funds should carefully review the appropriate legal documentation for the private funds for a detailed description of the associated risks, and for a detailed description of fees, strategies, affiliations, trading, brokerage practices, custody, investment discretion, voting and all other matters.

Cybersecurity Risk. The information and technology systems of the Adviser, the Related Advisers and of key service providers to the Adviser, the Related Advisers and their clients may be vulnerable to potential damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches, usage errors by their respective professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes. Although the Adviser and the Related Advisers have implemented various measures designed to manage risks relating to these types of events, if these systems are compromised, become inoperable for extended periods of time or cease to function properly, it may be necessary for the Adviser and the Related Advisers to make a significant investment to fix or replace them and to seek to remedy the effect of these issues. The failure of these systems and/or of disaster recovery plans for any reason could cause significant interruptions in the operations of the Adviser, the Related Advisers or their client accounts and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information.

Item 9. Disciplinary Information

This Item is not applicable.

Item 10. Other Financial Industry Activities and Affiliations

The Adviser has entered into a contractual relationship with RCG, pursuant to which the Adviser receives support services from, and shares certain personnel with, RCG. The support services include, but are not limited to, the use of certain facilities and office space of RCG, and certain general and administrative services. The Adviser provides consideration to RCG for these services as agreed upon by the parties. The Adviser provides non-discretionary sub-advisory services to certain of RCG's clients.

The Adviser's arrangements with RCG may give rise to potential conflicts of interest. For example, a supervised person of the Adviser who is shared with RCG (or Conifer Management) may have an incentive to favor clients of the Related Adviser over clients of the Adviser. The Adviser has adopted and implemented policies and procedures that are intended to address such conflicts of interest. Personnel of the Adviser who are shared with a Related Adviser are subject to the compliance programs of the Adviser and the Related Advisers, including the Codes of Ethics, and are considered "associated persons," as such term is defined under the Advisers Act, of the Adviser and such Related Adviser.

Additionally, the Adviser has entered into agreements with RCG and the pooled investment vehicles or private funds managed by the Adviser. Under these agreements, RCG is entitled to receive a portion of the performance-based fee received by the Adviser (or an affiliate) for providing advisory and administrative support services to the private funds. Because Mr. Harris is the managing member of the Adviser, a Managing Director of RCG, the Managing Partner of RCG-GP LLC (the general partner of RCG) and a shareholder of Ruane, Cunniff & Goldfarb Inc. (the parent company of RCG) ("Parent"), the pooled investment vehicles and private funds are subject to the supervision and internal compliance procedures of both RCG and the Adviser. Under these procedures, these vehicles and funds are treated as clients of RCG. Each of these agreements may be terminated at any time at the sole discretion of any party to such agreement.

RCGL, a registered broker-dealer, member of the New York Stock Exchange, FINRA and SIPC, is used to effect substantially all securities transactions for client accounts. The Adviser's control person has an indirect interest in RCGL. Please refer to Item 12 of this Firm Brochure for a discussion of brokerage practices applicable to clients of the Adviser.

The Adviser's portfolio manager is a registered representative of RCGL and holds an ownership interest in Parent, the parent company of RCG and RCGL. As a shareholder of Parent, he receives a percentage of any profits of RCGL, a portion of which is derived from clients' use of RCGL to effect securities transactions, and a percentage of the net profits of RCG. These arrangements provide an incentive for the portfolio manager to use RCGL to effect securities transactions for the client accounts he manages. In addition to disclosing to its clients these arrangements with RCGL and the conflicts and potential benefits to supervised persons associated with these arrangements, the Adviser monitors the execution services provided by RCGL.

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

The Adviser has adopted a Code of Ethics (the "Code") that obligates it and its supervised persons to maintain high ethical standards, to put the interests of the Adviser's clients before their own interests and to act honestly and fairly in all respects in their dealings with clients. Under the Code, supervised persons are required to comply with applicable federal securities laws, to preclear personal securities transactions, including transactions with the clients and/or in the accounts of the Related Advisers, and to disclose their securities transactions on a quarterly basis and holdings initially and on an annual basis. Clients or prospective clients may obtain a copy of the Code by contacting Michael Sloyer, Chief Compliance Officer of the Adviser, by mail at 9 West 57th Street, Suite 5000, New York, NY 10019-2701 or by telephone at (212) 832-5280.

The Adviser and its supervised persons invest in securities that they recommend to clients. This practice presents a conflict because the Adviser or its supervised persons are in a position to trade in a manner that could adversely affect clients. The Adviser requires its supervised persons to preclear personal transactions in covered securities (and in cases of the acquisition of the beneficial ownership of any security through an initial public offering ("IPO") or Limited Offering) with a designated supervisory person. A preclearance request may be denied if the requested transaction may have any adverse impact on clients. To the extent the Adviser or its related person owns securities that the Adviser or the related person also recommends to clients, such clients' proxies will be voted according to predetermined guidelines rather than subject to the Adviser's (or its related person's) discretion. Please refer to Item 17 for further information regarding the Adviser's proxy voting policy and procedures.

The Adviser, in the course of its investment advisory and other activities (e.g., board or creditor committee service or service as officers or directors of publicly traded companies by some of the Adviser's supervised persons), may come into possession of confidential or material nonpublic information about public issuers, including issuers in which the Adviser, the Related Advisers or their supervised persons have recommended, invested or seek to invest on behalf of clients. The Adviser is prohibited from improperly disclosing or using such information for its own benefit or for the benefit of any other person, regardless of whether such other person is a client. As part of its Code of Ethics, the Adviser maintains and enforces an Insider Trading Policy with written policies and procedures that prohibit the misuse of such information, or the communication of such information to persons who do not have a legitimate need to know such information and to assure that the Adviser is meeting its obligations to clients and remains in compliance with applicable law. In certain circumstances, the Adviser may possess certain confidential or material, nonpublic information (including as a result of its arrangements with the Related Advisers) that, if disclosed, might be material to a decision to buy, sell or hold a security, but the Adviser will be prohibited from communicating such information to the client or using such information for the client's benefit. In such circumstances, the Adviser will have no responsibility or liability to the client for not disclosing such information to the client (or the fact that

the Adviser possesses such information), or not using such information for the client's benefit, as a result of following the Adviser's policies and procedures designed to provide reasonable assurances that it is complying with applicable law.

Item 12. Brokerage Practices

The Adviser does not have the authority to determine the broker-dealer to use for client transactions and the commission costs that will be charged to clients for these transactions. Pursuant to arrangements with RCG, the Adviser is involved in effecting transactions on behalf of its clients with broker-dealers selected by RCG in accordance with RCG's policies and procedures.

RCGL is used to effect substantially all trades for the Adviser's advisory clients. Please refer to Item 10 for additional information concerning the use of RCGL to execute client securities transactions and best execution considerations.

Item 13. Review of Accounts

Mr. Harris continually reviews the client portfolios for which the Adviser provides sub-investment advisory advice.

Item 14. Client Referrals and Other Compensation

The Adviser may receive certain research or other products or services from broker-dealers using client commissions or soft-dollars. The use of soft-dollars creates an incentive for the Adviser to select or recommend broker-dealers based on the Adviser's interest in receiving research or other products or services.

Item 15. Custody

This Item is not applicable.

Item 16. Investment Discretion

The Adviser provides non-discretionary sub-advisory services to certain pooled investment vehicles and private funds. The Adviser makes recommendations based on the investment objective and strategy of the relevant fund as to specific securities or other investments the fund may purchase or sell and is involved in effecting such purchase or sale.

Item 17. Voting Client Securities

The Adviser has adopted Proxy Voting Policies and Procedures ("Procedures") that are designed to address how the Adviser votes proxies when it has been delegated proxy voting authority. The Procedures require that the Adviser identify and address conflicts of interest between the Adviser and its clients in connection with voting proxies. If a material conflict of interest exists, the Adviser will determine whether voting in accordance with the guidelines set forth in the Procedures is in the best interests of the client or whether to take some other appropriate action.

The Adviser currently provides only non-discretionary sub-advisory services and has no proxy voting authority in connection with such services.

Clients may obtain a copy of the Adviser's Procedures by contacting Michael Sloyer by mail at, 9 West 57th Street, Suite 5000, New York, NY 10019-2701 or by telephone at (212) 832-5280.

Item 18. Financial Information

This Item is not applicable.