



TWIST CAPITAL

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Form ADV Part 2A – Firm Brochure

March 23, 2020

This brochure provides information about the qualifications and business practices of Twist Capital LLC. If you have any questions about the contents of this brochure, please contact us at (310) 878-8493 or by email at: info@twistcapital.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Twist Capital LLC is also available on the SEC's website at www.adviserinfo.sec.gov. Twist Capital LLC's CRD number is: 307867. Registration as an investment adviser does not imply a certain level of skill or training.

Item 2: Material Changes

Twist Capital LLC has not yet filed an annual updating amendment using the Form ADV Part 2A. Therefore, there are no material changes to report.

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Item 4: Advisory Business

Twist Capital LLC (hereinafter “Twist Capital”) is a limited liability company organized in the State of California. The firm was formed in May 2019, and the principal owner is Sean Vijay Madnani.

Investment Management Services

Twist Capital provides investment management services to Twist Capital Fund I LP (hereinafter “the Fund”), a “special situations” fund that invests in select technology companies through a combination of senior debt and preferred equity . The Fund is exempt from registration under the Investment Company Act of 1940, as amended (the “1940 Act”) and its securities are not registered under the Securities Act of 1933, as amended (the “Securities Act”).

The investment management services provided by Twist Capital to the Fund consist of researching, identifying, and evaluating investment opportunities, structuring, negotiating, and making investments on behalf of the Fund, managing and monitoring the performance of such investments, and disposing of such investments.

Twist Capital provides investment management services to the Fund in accordance with the limited partnership agreement of the Fund and/or any side letters that may be in place with the Fund’s investors (collectively, the “Governing Documents”). Investment advice is provided directly to the Fund, and not individually to the investors in the Fund. Investment restrictions for the Fund, if any, are generally established in the Governing Documents or offering documents of the Fund.

Twist Capital is wholly-owned by Sean Madnani, its founder and Chief Executive Officer. Twist Capital Fund I GP LLC, the Fund’s general partner, is an affiliate of Twist Capital owned by certain members of Twist Capital’s senior management and employees as well as some non-controlling related parties.

Item 5: Fees and Compensation

Twist Capital or its affiliates generally receive Investment Management Fees and Carried Interest (each as defined below) or similar performance-based remuneration from the Fund. The Fund and/or its portfolio companies is expected to make other payments to Twist Capital or its affiliates for services provided to the portfolio companies. While such payments are in addition to the Investment Management Fees, Twist Capital will (except as described below) share these amounts with investors through a reduction in the amount of Investment Management Fees paid by the Fund in connection with the receipt of such amounts. This sharing arrangement benefits investors by reducing the amount of Investment Management Fees to be paid to Twist Capital. Additionally, consistent with the Governing Documents of the Fund, the Fund typically bears certain out-of-pocket expenses incurred by Twist Capital in connection with the services provided to the Fund and/or the portfolio companies. Further details about certain common fees and expenses are set forth below.

Investment Management Fees

As compensation for investment management services rendered to the Fund, Twist Capital receives from the Fund an investment management fee (each, an “Investment Management Fee”) typically calculated based on committed capital or invested capital, with respect to the Fund. Investment Management Fees are expected to be reduced by other fees or compensation received by Twist Capital or its affiliates that relate to the Fund’s activities and investments. Investment Management Fees paid by the Fund are indirectly borne by investors in the Fund, as described below in more detail. Investment Management Fees are added to the cost of investment prior to any Carried Interest (as defined below in Item 6) taken by Twist Capital.

Investment Management Fees charged to, and received from, the Fund are generally payable quarterly in advance. Investors should be aware that the precise amount of, and the manner and calculation of, the Investment Management Fees for the Fund may be established by Twist Capital through negotiations with investors in the Fund and are set forth in the Fund’s Governing Documents. The Investment Management Fees and other fees and distributions may be subject to modification, waiver or reduction by Twist Capital in its sole discretion, both voluntarily and on a negotiated basis with selected investors via side letter and other arrangements, which typically will not be disclosed to all other investors in the Fund.

More detailed information about Investment Management Fees and other fees and expenses borne by the Fund can be found in the Fund’s Governing Documents and offering memorandum.

Item 6: Performance-Based Fees

A portion of the Fund’s profits, if any, generally will be distributed to Twist Capital or its affiliates as “carried interest” (the “Carried Interest”), pursuant to the Fund’s Governing Documents.

Item 7: Types of Clients

Twist Capital provides investment management services to the Fund. Investment advice is provided directly to the Fund and not individually to investors in the Fund.

Interests in the Fund are offered pursuant to applicable exemptions from registration under the Securities Act and the 1940 Act. Investors in the Fund are generally “qualified purchasers” as defined in the 1940 Act, and may include, among others, high net worth individuals, trusts, charitable organizations, corporations, limited partnerships and limited liability companies or other entities.

Twist Capital has set \$10 million as the minimum investment amount for the Fund. The Fund’s general partner may, in its sole discretion, permit investments below the minimum amounts set forth in the offering memorandum.

Item 8: Methods of Analysis, Investment Strategies, & Risks of Loss

Methods of Analysis and Investment Strategy

Twist Capital's investment strategy for the Fund is discussed in detail in the Fund's Governing Documents and offering memorandum. The following description is qualified in its entirety by reference to those documents:

The Fund primarily focuses on making debt and debt-like investments in later-stage private technology companies. The investments comprise privately negotiated instruments that generally have both debt and equity components, with a contractual return as well as equity upside. The general investment strategy and approach of the Fund is to apply deep industry sector expertise, focus on attractive business models and/or companies with core advantages, conduct thorough due diligence, add value to portfolio companies, and exit the investments profitably.

Risks of Loss

Risks Applicable to the Fund

Investing in securities or other investments involves a substantial degree of risk. The Fund may lose all or a substantial portion of its investments, and investors in the Fund must be prepared to bear the risk of a complete loss of their investment. In addition, material risks relating generally to all of the investment strategies and methods of analysis described above, and to the types of securities typically purchased by or for the Fund include the following:

New Entity Risk. The Fund is newly formed and its future prospects are extremely difficult to evaluate. As a result, the Fund does not have any investment history on which an evaluation of the Fund's prospects can be based. If the Fund's investment strategy is not successful, an investment in the Fund could significantly diminish in value or be lost completely.

Exemption from Registration. The Fund and its interests are not registered under the Securities Act or the securities laws of any other jurisdiction. The Fund is not registered as an investment company under the Investment Company Act and, therefore, will not be required to adhere to the restrictions and requirements under the Investment Company Act. Accordingly, the provisions of the Investment Company Act are not applicable.

Competition; Availability of Portfolio Investments. The identification of attractive investment opportunities is difficult and involves a high degree of uncertainty. There can be no assurance that the Fund will be able to identify or successfully pursue attractive investment opportunities for many reasons, including competition for attractive investment opportunities and changes in markets or economic conditions. As a result, there can be no assurance that there will be a sufficient number of suitable investment opportunities to enable the Fund to invest all of its capital in opportunities that satisfy the Fund's investment objective or that such investment opportunities will lead to completed portfolio investments by the Fund.

Lack of Diversification of the Fund's Overall Portfolio. The Fund's portfolio could become significantly concentrated in one or more industries, geographic regions or other characteristic, subject to the investment restrictions set forth in the Governing Documents and detailed in the Fund's offering memorandum. There

is no assurance as to the degree of diversification that will actually be achieved in the Fund's portfolio investments. This limited diversification may result in the concentration of risk, which, in turn, could expose the Fund to losses disproportionate to market movements in general.

Risks Applicable to the Specific Fund Investments

Fund Investments in General. Fund investments are subject to various risks, including adverse changes in national or international economic conditions, local market conditions, interest rates, governmental rules and fiscal policies, and other factors that are beyond the control of Twist Capital or the Fund's general partner. The Fund may be subject to the risk of loss arising from exposure that it may incur, indirectly, due to the occurrence of various events, including, without limitation, hurricanes, earthquakes, and other natural disasters, terrorism and other catastrophic events. These risks of loss can be substantial and could have a material adverse effect on the Fund and the investors' investments therein. No guarantee or representation is made that the Fund's investment program, including, without limitation, the Fund's investment objective, diversification strategies or risk monitoring goals, will be successful. Investment results may vary substantially over time. No assurance can be made that profits will be achieved or that substantial or complete losses will not be incurred. Past investment results of Twist Capital (or investments otherwise made by Twist Capital's investment professionals and affiliates) are not necessarily indicative of their future performance.

Lack of Liquidity of Fund Investments. Investment in the Fund requires a long-term commitment, with no certainty of return. The Fund's investments are expected to be predominantly illiquid and there can be no assurance that the Fund will be able to generate returns for investors, that the returns will be commensurate with the risks of investing in the type of transactions and issuers described herein, or that Twist Capital's methodology for evaluating risk-adjusted return profiles for investments will achieve the Fund's objectives. In some cases, the Fund may be legally, contractually or otherwise prohibited from selling certain investments for a period of time or may otherwise be restricted from disposing of them and illiquidity may also result from the absence of an established market for certain investments. The realizable value of a highly illiquid investment at any given time may be less than its intrinsic value. In addition, certain types of investments made by the Fund may require a substantial length of time to liquidate. As a result, the Fund may be unable to realize its investment objective by sale or other disposition at attractive prices or may otherwise be unable to complete any exit strategy.

Although certain investments may generate current income, the return of capital and the realization of gains, if any, from an investment may occur only upon the partial or complete disposition of such investment, as to which there can be no certainty. The Fund's investments are speculative in nature and there can be no assurance that any Fund investor will receive a return on invested capital or any distribution from the Fund. While an investment may be sold at any time, typically this will occur a number of years after the investment is made. The Fund will generally not be able to sell its investments publicly unless their sale is registered under applicable securities laws, or unless an exemption from such registration requirements is available. In addition, in some cases the Fund may be prohibited by contract from selling certain securities for a period of time, which may mean that the Fund is unable to take advantage of favorable market prices. In view of such limitations on liquidity, which are illustrative and not exhaustive, the Fund may not be able to realize a profit on an investment until the sale of such investment. Furthermore, such illiquidity may continue even if the underlying entities obtain listings on securities exchanges. There can be no assurance that the Fund will be able to dispose of its investments at the price and at the time it wishes to do so and Fund investors should expect that they may not receive a return of their capital for a long period of time even if the Fund's investments prove successful.

Short Selling Increases Risk of Capital Losses. As part of its investment strategy, the Fund may engage in the short selling of securities. Short selling involves the sale of a security that the Fund does not own

and must borrow in order to make delivery in the hope of purchasing the same security at a later date at a lower price. When a short sale is made, the seller must leave the proceeds of the short sale with the broker, and it must also deposit with the broker an amount of cash or U.S. government securities sufficient under current margin regulations to collateralize its obligation to replace the borrowed securities that have been sold. If the short sale is not “covered,” the later purchase of the security to “cover” the short sale by redelivery to the lender may occur at a time when the market price of the security has increased, perhaps substantially, or the security may be unavailable.

Hedging Transactions May Increase Risk of Capital Losses. The Fund may utilize a variety of financial instruments, such as options, for investment and risk management purposes. While the Fund may enter into hedging transactions to seek to reduce risk, such transactions may result in a worse overall performance for the Fund than if it had not engaged in any such hedging transactions. Moreover, the Fund is always exposed to certain risks that cannot be hedged, such as credit risk, relating both to particular securities and counterparties.

Derivatives. The Fund may utilize derivative instruments for hedging. Derivatives may be entered into on established exchanges or through privately negotiated, or over-the-counter (“OTC”), transactions. Generally, derivatives are financial contracts whose value depends upon, or is derived from, the value of an underlying asset, reference rate or index.

Derivative instruments are specialized products that require investment techniques and risk analyses different from those associated with stocks and bonds. These instruments typically allow an investor to hedge or speculate upon the price movements of a particular security, financial benchmark or index at no cost or at a fraction of the cost of investing in the underlying asset. The use of a derivative requires an understanding not only of the underlying asset but also of the derivative itself, without the benefit of observing the performance of the derivative under all possible market conditions. As the value of this type of instrument depends largely upon price movements in the underlying asset, many of the risks applicable to trading the underlying asset are also applicable to trading derivatives related to such asset.

Risks associated with using derivatives include the risk of mispricing or improper valuation of derivatives and the inability of derivatives to correlate perfectly with underlying assets, rates and indices. Many derivatives, in particular privately negotiated derivatives, are complex and often valued subjectively. In addition, improper valuations can result in increased cash payment requirements to counterparties or a loss of value to the Fund. Certain derivatives have the potential for unlimited loss regardless of the size of the original investment. Further, the Fund’s derivatives agreements may contain terms that provide counterparties with the right to terminate transactions if, among other things, the Fund experiences certain decreases in net asset value over periods of time, fails to provide or update certain required information or engages in transactions that are inconsistent with applicable rules. These early termination rights could result in derivative transactions being closed out earlier, or on less favorable terms, than desired by the Fund or Twist Capital. Although Twist Capital will implement risk management techniques designed to limit potential losses, such techniques may not accurately predict all derivatives trading risks.

Swaps. The Fund may enter into swap transactions. Swap agreements historically have been OTC, two-party contracts entered into primarily by institutional investors for periods typically ranging from a few weeks to more than one year. In a standard swap transaction, two parties agree to exchange the returns (or differentials in rates of return) earned or realized on particular predetermined investments or instruments, which may be adjusted for an interest factor. There are various types of swaps, including but not limited to, total return swaps, credit default swaps and interest rate swaps; all of these and other swaps are derivatives and as such, each is subject to the general risks relating to derivatives described above. It is possible that developments in the swaps market, including potential government regulation, could adversely affect the Fund’s ability to terminate existing swap agreements or to realize amounts to be received under such agreements.

Derivatives Regulation Risk. Title VII of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Dodd-Frank Act”) imposes comprehensive regulation on certain OTC derivatives, including certain types of options and other derivatives transactions in which the Fund may seek to engage. The Dodd-Frank Act, many provisions of which began to take effect in July 2011, requires central clearing and exchange-style trade execution for many swap, option, and other derivatives transactions that are currently traded in the OTC derivatives markets. The Dodd-Frank Act also provides the U.S. Commodity Futures Trading Commission (“CFTC”) and the SEC with authority to impose position limits in the swap markets. The Dodd-Frank Act and rules promulgated thereunder also require certain large swap market participants (*i.e.*, swap dealers and major swap participants) to register with the CFTC and to be subject to substantial supervision and regulation, including capital standards, margin requirements, business conduct standards, and recordkeeping and reporting requirements. Similar laws and regulations governing the swaps markets have also been adopted in most developed countries, including the European Market Infrastructure Regulation in Europe.

The increased regulation of derivatives trading imposed by the Dodd-Frank Act and corresponding global laws and regulations may impose additional regulatory burdens that could increase the costs and reduce the benefits of the Fund’s strategy.

It is possible that developments in the swaps market, including potential government regulation, could adversely affect the Fund’s ability to terminate existing swap agreements or to realize amounts to be received under such agreements.

Credit Derivatives. In order to manage credit risk, the Fund is authorized to enter into credit derivative transactions, which may include swap, forward and option contracts and other instruments that provide for the transfer from one counterparty to another of certain credit risks inherent in the ownership of a financial asset such as an investment. Such risks include, among other things, the risk of default and insolvency of the obligor of such asset, the risk that the credit of the obligor or the underlying collateral will decline or that credit spreads for like assets will change (thus affecting the market value of the financial asset). The transfer of credit risk pursuant to a credit derivative may be complete or partial, and may be for the life of the related asset or for a shorter period. Credit derivatives may be used as a risk management tool for a pool of financial assets, providing the investment manager with the opportunity to gain exposure to a reference loan or other financial asset (a “Reference Asset”) without actually owning it in order, for example, to reduce a concentration risk or to diversify a portfolio. Conversely, credit derivatives may be used by a portfolio manager to reduce exposure to an owned asset without selling it in order, for example, to maintain relationships with clients, to avoid difficult transfer restrictions, manage illiquid assets or hedge declining credit quality of the financial asset.

Credit derivatives are subject to counterparty credit risk. For example, in the event that the Fund enters into a credit derivative with a counterparty who subsequently becomes insolvent or files a bankruptcy case, the credit derivative may be terminated in accordance with its terms and the portfolio manager’s ability to realize its rights under the credit derivative could be adversely affected.

Credit derivatives are subject to regulation under commodity and securities laws. In addition, additional regulations and laws may apply to credit derivatives that have not heretofore been applied. For example, total return swaps or other types of credit derivatives may be deemed a form of insurance or gaming subject to insurance legislation or anti-gaming laws. The Fund has not sought assurances from insurance or gaming regulators in any jurisdiction that the total return swap or other credit derivative does not require licensing under insurance or anti-gaming laws. There can be no assurance that future decisions construing similar provisions to those in any swap agreement and other related documents or additional regulations and laws will not have a material adverse effect on the Fund.

The use of leverage will significantly increase the sensitivity of the market value of credit derivatives to changes in the market value of the Reference Assets. The Reference Assets are subject to the risks related to the credit of the underlying borrowers. These risks include the possibility of a default or bankruptcy of the borrowers or a claim that the pledging of collateral to secure a loan constituted a fraudulent conveyance or preferential transfer that can be subordinated to the rights of other creditors of the borrowers or nullified under applicable law.

Option Transactions. The Fund may buy or sell (write) both call options and put options, and, when the Fund writes options, it may do so on a “covered” or an “uncovered” basis. A call option is “covered” when the writer owns securities of the class and amount of those as to which the call option applies. A put option is covered when the writer has an open short position in securities of the relevant class and amount. The Fund’s options transactions may be part of a hedging tactic (*i.e.*, offsetting the risk involved in another securities position) or a form of leverage, in which the Fund would benefit from price movements in a large number of securities with a small commitment of capital. These activities involve risks that can be large, depending on the circumstances. In general, and without taking into account others positions or transactions the Fund may enter into, the principal risks involved in options funding can be described as follows:

When the Fund buys an option, a decrease (or inadequate increase) in the price of the underlying security in the case of a call, or an increase (or inadequate decrease) in the price of the underlying security in the case of a put, could result in a total loss of the Fund’s investment in the option (including commissions). The Fund could mitigate those losses by selling short the securities to which it holds call options or taking a long position (*e.g.*, by buying the securities or buying options) on securities’ underlying put options. When the Fund sells (writes) an option, the risk can be substantially greater than when it buys an option. The seller of an uncovered call option bears the risk of an increase in the market price of the underlying security above the exercise price. The risk is theoretically unlimited unless the option is “covered.” If it were covered, an increase in the market price of the security above the exercise price would cause the Fund to lose the opportunity for gain on the underlying security (assuming the security was purchased for less than the exercise price). If the price of the underlying security were to drop below the exercise price, the premium received on the option (after transaction costs) would provide profit that would reduce or offset any loss the Fund might suffer as a result of owning the security.

The seller of an uncovered put option theoretically could lose an amount equal to the entire aggregate exercise price of the option, if the underlying security were to become valueless. If the option were covered with a short position in the underlying security, this risk would be limited, but a drop in the security’s price below the exercise price would cause the Fund to lose some or all of the opportunity for profit on the “covering” short position assuming the Fund sold short for more than the exercise price. If the price of the underlying security were to increase above the exercise price, the premium on the option (after transaction costs) would provide profit that would reduce or offset any loss the Fund might suffer in closing out its short position.

Issuer Risk. The value of credit-related obligations may decline for a number of reasons that directly relate to the issuer, such as management performance, financial leverage and reduced demand for the issuer’s goods and services.

Interest Rate Risk. Changes in interest rates may affect the value of the Fund’s investments indirectly (especially in the case of fixed-rate securities) and directly (especially in the case of instruments whose rates are adjustable). In general, rising interest rates will negatively impact the price of a fixed rate-debt instrument and falling interest rates will have a positive effect on price. Adjustable rate instruments also react to interest rate changes in a similar manner although generally to a lesser degree (depending,

however, on the characteristics of the reset terms, including the index chosen, frequency of reset and reset caps or floors, among other factors).

Interest rate sensitivity is generally more pronounced and less predictable in instruments with uncertain payment or prepayment schedules. Factors that may affect interest rates include, without limitation, inflation, slow or stagnant economic growth or recession, unemployment, money supply, governmental monetary policies, international disorders and instability in U.S. and non-U.S. financial markets. The Fund expects that it will periodically experience imbalances in the interest rate sensitivities of its assets and liabilities and the relationships of various interest rates to each other. In a changing interest rate environment, the Fund may not be able to manage this risk effectively. If the Fund is unable to manage interest rate risk effectively, the Fund's performance could be adversely affected.

For a discussion of interest rate risks associated with a Credit Facility, see the risks described under "Leverage" below.

Inflation Risk. Inflation risk is the risk that the value of assets or income from investments will be worth less in the future as inflation decreases the value of money. As inflation increases, the real value of the investments and the investors' interests can decline. In addition, during periods of rising inflation, short-term interest rates would likely increase, reducing returns to investors.

OTC Transactions. The Fund may deal in forward foreign exchange contracts between currencies of the different countries and multi-national currency units and options on currencies for hedging or speculation. With respect to forward currency contracts, this is accomplished through contractual agreements generally to purchase or sell one specified currency for another currency at a specified future date and price determined at the inception of the contract. The Fund may engage in other OTC transactions, such as options not traded on an exchange, swaps, caps, floors, and collars.

In general, there is less governmental regulation and supervision in the OTC markets than of transactions entered into on an organized exchange. In addition, many of the protections afforded to participants on some organized exchanges, such as the performance guarantee of an exchange clearinghouse, will not be available in connection with OTC transactions. This exposes the Fund to the risks that a counterparty will not settle a transaction because of a credit or liquidity problem or because of disputes over the terms of the contract. The Fund is not restricted from concentrating transactions with one counterparty. The Fund, therefore, will be exposed to greater risk of loss through default than if it confined its trading to regulated exchanges.

Debt and Other Income Securities. The Fund may invest in fixed income and adjustable rate securities. Income securities are subject to interest rate, market and credit risk. Even though such instruments are investments that may promise a stable stream of income, the prices of such securities are inversely affected by changes in interest rates and, therefore, are subject to the risk of market price fluctuations. In general, the values of fixed income securities increase when prevailing interest rates fall and decrease when interest rates rise. Because of the resetting of interest rates, adjustable rate securities are less likely than non-adjustable rate securities of comparable quality and maturity to increase or decrease significantly in value when market interest rates fall or rise, respectively. Market risk relates to the changes in the risk or perceived risk of an issuer, country or region. Credit risk relates to the ability of the issuer to make payments of principal and interest. The values of income securities may be affected by changes in the credit rating or financial condition of the issuing entities. Income securities denominated in non-U.S. currencies are also subject to the risk of a decline in the value of the denominating currency relative to the U.S. dollar.

The debt securities in which the Fund may invest are not required to satisfy any minimum credit rating standard, and may include instruments that are considered to be of relatively poor standing and have predominantly speculative characteristics with respect to capacity to pay interest and repay principal. The Fund may invest in bonds rated lower than investment grade, which may be considered speculative. The Fund may also invest a substantial portion of its assets in high-risk instruments that are low rated or unrated.

Convertible Securities. Convertible securities (“Convertibles”) are generally debt securities or preferred stocks that may be converted into common stock. Convertibles typically pay current income as either interest (debt security convertibles) or dividends (preferred stocks). A Convertible’s value usually reflects both the stream of current income payments and the value of the underlying common stock. The market value of a Convertible performs like that of a regular debt security; that is, if market interest rates rise, the value of a Convertible usually falls. Since it is convertible into common stock, the Convertible generally has the same types of market and issuer risk as the underlying common stock. Convertibles that are debt securities are also subject to the normal risks associated with debt securities, such as interest rate risks, credit spread expansion and ultimately default risk, as discussed below. Convertibles are also prone to liquidity risk as demand can dry up periodically, and bid/ask spreads on bonds can widen significantly.

An issuer may be more likely to fail to make regular payments on a Convertible than on its other debt because other debt securities may have a prior claim on the issuer’s assets, particularly if the Convertible is preferred stock. However, Convertibles usually have a claim prior to the issuer’s common stock.

In addition, for some Convertibles, the issuer can choose when to convert to common stock, or can “call” (redeem) the Convertible. An issuer may convert or call a Convertible when it is disadvantageous for the Fund, causing the Fund to lose an opportunity for gain. For other Convertibles, the Fund can choose when to convert the security to common stock or to put (sell) the Convertible back to the issuer.

Subordinated Securities. Some of the investments of the Fund will consist of subordinated debt issued by corporate, financial, or special purpose issuers. In the event of default under investments purchased by the Fund, the Fund is unlikely to be able to recover all of its investment in the securities purchased. The recovery value for subordinated debt is lower than for senior debt as any residual value of the issuer will be the first repaid to senior debt holders.

In addition, the investments may have structural features that divert payments of interest and/or principal due to adverse conditions prior to an actual default. As a result of these features, subordinated securities have a higher risk of loss from adverse conditions and/or defaults.

Prepayment Risk. The frequency at which prepayments (including voluntary prepayments by the obligors and accelerations due to defaults) occur on debt instruments are affected by a variety of factors including the prevailing level of interest rates and spreads as well as economic, demographic, tax, social, legal and other factors. While the Fund generally expects prepayment of an investment (where such investment is a loan) to have a positive effect on the Fund, there may be instances where a prepayment reduces the expected cash flows projected with respect to a particular investment.

Credit Risk. Credit risk is the risk that (i) an issuer or guarantor of a fixed income security or (ii) a counterparty to another type of instrument held by the Fund may default on its obligation to pay interest, repay principal or otherwise meet its obligations to the Fund. There is also a risk that one or more of the securities in which the Fund invests will be downgraded in credit rating generally. Lower rated issuers, guarantors and counterparties have higher credit risk.

Credit Rating. Credit ratings issued by credit rating agencies are designed to evaluate the safety of principal and interest payments of rated securities. They do not evaluate the market value risk of securities and, therefore, may not fully reflect the true risks of an investment. In addition, credit rating

agencies may or may not make timely changes in a rating to reflect changes in the economy or in the conditions of the issuer that affect the market value of the security. Consequently, credit ratings are used only as a preliminary indicator of investment quality.

Loan Investments Risk. The Fund may originate and invest in a variety of loans. Bank loans are obligations of companies or other entities entered into in connection with recapitalizations, acquisitions, and refinancings. The Fund's investments in bank loans are generally acquired as a participation interest in, or assignment of, loans originated by a lender or other financial institution. These investments may include institutionally traded floating and fixed-rate debt securities. The bank loans underlying these securities often involve borrowers with low credit ratings whose financial conditions are troubled or uncertain, including companies that are highly leveraged or in bankruptcy proceedings. Participation interests and assignments involve credit, interest rate, and liquidity risk. Bridge loans involve certain risks in addition to those associated with bank loans including the risk that the borrower may be unable to locate permanent financing to replace the bridge loan, which may impair the borrower's perceived creditworthiness. Debtor-in-possession ("DIP") loans are subject to the risk that the entity will not emerge from bankruptcy and will be forced to liquidate its assets. Mezzanine loans generally are rated below investment grade, and frequently are unrated. Investment in mezzanine loans is a specialized practice that depends more heavily on independent credit analysis than investments in other fixed-income securities.

The Fund's success will depend, in part, on its ability to originate or obtain loans on advantageous terms. In originating or purchasing loans, the Fund will compete with a broad spectrum of investors and institutions. Increased competition for qualifying loans could result in lower yields on such loans, which could reduce returns to Investors.

Risks Associated with Loans. Loans are subject to the risk of non-payment of scheduled interest or principal. Such non-payment would result in a reduction of income to the Fund, and a reduction in value of an investment of the Fund. There can be no assurance that the liquidation of any collateral securing a loan would satisfy the borrower's obligation in the event of non-payment of scheduled interest or principal payments, or that such collateral could be readily liquidated. In the event of bankruptcy of a borrower, the Fund could experience delays or limitations with respect to its ability to realize the benefits of the collateral securing a loan. To the extent that a loan is collateralized by stock in the borrower or its subsidiaries, such stock may lose all or substantially all of its value in the event of bankruptcy of a borrower. Some asset-backed loans are subject to the risk that a court, pursuant to a fraudulent conveyance or other similar laws, could subordinate such loans to presently existing or future indebtedness of the borrower or take other action detrimental to the holders of asset-backed loans including, in certain circumstances, invalidating the loans or causing interest previously paid to be refunded to the borrower. If interest were required to be refunded, it could negatively affect the Fund's performance. Risks associated with bank loans include the fact that prepayments may generally occur at any time without premium or penalty.

In addition, certain loans may be supported, in part, by personal guarantees made by the persons affiliated with a borrower, or guarantees made by a corporation affiliated with the borrower. The amount realizable with respect to a loan may be detrimentally affected if a guarantor fails to meet its obligations under the guarantee. Moreover, the value of collateral supporting loans may fluctuate. In addition, active lending/origination by the Fund may subject it to additional regulation. Finally, there may be a monetary, as well as a time cost involved in collecting on defaulted loans and, if applicable, taking possession of and subsequently liquidating various types of collateral.

Most loans made by the Fund will not be rated by a rating agency, will not be registered with the SEC or any foreign or state securities commission and will not be listed on any U.S. or foreign securities exchange. The amount of public information with respect to such loans will generally be less extensive

than that available for registered or exchange listed securities. In evaluating the creditworthiness of borrowers, Twist Capital will consider, and may rely in part, on analyses performed by others.

No active trading market may exist for many loans and some loans may be subject to restrictions on resale. A secondary market may be subject to irregular trading activity, wide bid/ask spreads and extended trade settlement periods, which may impair the ability to realize full value and thus cause a material decline in the value of the Fund's investments.

Investing in Distressed Securities. The fact that certain of the companies in whose securities the Fund may invest are in transition, out of favor, financially leveraged or troubled, or potentially troubled, and may be or have recently been involved in major strategic actions, restructurings, bankruptcy, reorganization or liquidation, means that their securities are likely to be particularly risky investments although they also may offer the potential for correspondingly high returns. Such companies' securities may be considered speculative, and the ability of such companies to pay their debts on schedule could be affected by adverse interest rate movements, changes in the general economic climate, economic factors affecting a particular industry, or specific developments within such companies. In addition, there is no minimum credit standard that is a prerequisite to the Fund's investment in any instrument, and a significant portion of the obligations and preferred stock in which the Fund may invest may be less than investment grade.

Bankruptcy Proceedings. There are a number of significant risks when investing in companies involved in bankruptcy proceedings. For example: many events in a bankruptcy are the product of contested matters and adversary proceedings which are beyond the control of the creditors; following a bankruptcy filing, a company may lose its market position and key employees and otherwise become incapable of restoring itself as a viable entity; in a liquidation, the liquidation value of the company may not equal the liquidation value that was believed to exist at the time of the investment; the duration of a bankruptcy proceeding is difficult to predict and a creditor's return on investment can be adversely affected by delays while the plan of reorganization is being negotiated, approved by the creditors and confirmed by the bankruptcy court; the administrative costs in connection with a bankruptcy proceeding are frequently high and will be paid out of the debtor's estate prior to any return to creditors; creditors can lose their ranking and priority if they exercise "domination and control" over a debtor and other creditors can demonstrate that they have been harmed by such actions, especially in the case of investments made prior to the commencement of bankruptcy proceedings; and certain claims, such as claims for taxes, may have priority by law over the claims of certain creditors. In addition, the Fund may, from time to time, seek representation on creditors' committees and, as a member of a creditors' committee, may owe certain obligations to all creditors similarly situated that the committee represents and may be subject to various trading or confidentiality restrictions. Because the Fund will indemnify Twist Capital or any person serving on a committee on behalf of the Fund for claims arising from breaches of those obligations, indemnification payments could adversely affect the Fund's investment in a company undergoing reorganization.

Fraudulent Conveyance Considerations. Various U.S. state and federal laws enacted for the protection of creditors may apply to some or all of the investments in such a way as to limit the Fund's return on such investments. If a court in a lawsuit brought by an unpaid creditor or representative of creditors of a borrower, such as a trustee in bankruptcy or the borrower as debtor-in-possession, were to find that the borrower did not receive fair consideration or reasonably equivalent value for incurring indebtedness evidenced by an investment and the grant of any security interest or other lien securing such investment, and, after giving effect to the incurring of such indebtedness, the borrower (i) was insolvent, (ii) was engaged in a business for which the assets remaining in such borrower constituted unreasonably small capital or (iii) intended to incur, or believed that it would incur, debts beyond its ability to pay such debts as they mature, such a court could invalidate, in whole or in part, such indebtedness and such security

interest or other lien as fraudulent conveyances, subordinate such indebtedness to existing or future creditors of the borrower or recover amounts previously paid by the borrower in satisfaction of such indebtedness or proceeds of such security interest or other lien previously applied in satisfaction of such indebtedness. In addition, in the event of the insolvency of an obligor on an investment, payments made on the investment could be subject to avoidance under the U.S. Bankruptcy Code as a “preference” if made within a certain period of time (which may be as long as one year) before insolvency. The measure of insolvency for purposes of the foregoing will vary depending on the law of the jurisdiction that is being applied. Generally, however, a borrower would be considered insolvent at a particular time if the sum of its debts was then greater than the value of all of its property at a fair valuation or if the present fair saleable value of its assets was then less than the amount that would be required to pay its probable liabilities on its existing debts as they became absolute and matured. There can be no assurance as to what standard a court would apply in order to determine whether a borrower was insolvent after giving effect to the incurrence of the obligation or that, regardless of the method of evaluation, a court would not determine that the borrower was “insolvent” upon giving effect to such incurrence.

In general, if payments on an investment are avoidable, whether as fraudulent conveyances or preferences, such payments can be recaptured either from the initial recipient (such as the Fund) or from subsequent transferees of such payments (such as the banks providing the credit facility, the holders of the notes, and the Partners).

Equity Securities. The Fund may invest in equity securities (including preferred stocks) and equivalents of U.S. and non-U.S. issuers. Investment in equity securities offers the potential for substantial capital appreciation. However, such investment also involves certain risks. Equity risk is the risk that securities held by the Fund will fall due to general market or economic conditions, perceptions regarding the industries in which the issuers of securities held by the Fund participate, and the particular circumstances and performance of particular companies whose securities the Fund holds. Although equity securities have historically generated higher average returns than fixed income securities over the long term, equity securities also have experienced significantly more volatility in returns. An adverse event, such as an unfavorable earnings report, may depress the value of equity securities of an issuer held by the Fund. Also, the price of an equity security of an issuer may be particularly sensitive to general movements in the stock market, and a drop in the stock market may depress the price of most or all of the equity securities held by the Fund. In addition, an equity security of an issuer in the Fund may decline in price if the issuer fails to make anticipated dividend payments because, among other reasons, the issuer of the security experiences a decline in its financial condition. Thus, the prices of equity securities fluctuate for many reasons, including changes in investors’ perceptions of the financial condition of an issuer or the general condition of the relevant stock market, or when political or economic events affecting the issuers occur.

Investments in Emerging and Less Established Companies. The Fund may make investments in companies that are in a conceptual or early stage of development. These companies are often characterized by short operating histories, new technologies and products, quickly evolving markets, and management teams that may have limited experience working together, all of which enhance the difficulty of evaluating these investment opportunities. The management of such companies will need to implement and maintain successful marketing, finance personnel and other operational strategies in order to become and remain successful. Other substantial operational risks to which such companies are subject include uncertain market acceptance of the company’s products or services, a high degree of regulatory risk for new or untried and/or untested business models, products and services, high levels of competition among similarly situated companies, lower capitalizations and fewer financial resources, and the potential for rapid organizational or strategic change. Emerging technology companies are subject to risks based on the characteristics of the industry, including the possibility that rapid technological developments may render such companies’ technology obsolete, uneconomical or uncompetitive prior to a company

achieving profitability. In addition, emerging growth companies may be more susceptible to macroeconomic effects and industry downturns.

Investments in Technology Industries. The Fund intends to make investments in technology-focused companies. The technology industry is challenged by various factors, including rapidly changing market conditions and/or participants, new competing products, changing consumer preferences, short product life cycles, services and/or improvements in existing products or services. The companies that the Fund invests in will compete in this volatile environment. There is no assurance that products or services sold by such companies will not be rendered obsolete or adversely affected by competing products and services or that such companies will not be adversely affected by other challenges. Moreover, competition can result in significant downward pressure on pricing. In the event that the technology sector as a whole declines, returns to Fund investors may decrease.

Lender Liability Considerations and Equitable Subordination. In recent years, a number of judicial decisions in the U.S. have upheld the right of borrowers to sue lending institutions on the basis of various evolving legal theories of liability (collectively termed “lender liability”). Generally, lender liability is founded upon the premise that an institutional lender has violated a duty (whether implied or contractual) of good faith and fair dealing owed to the borrower or has assumed a degree of control over the borrower resulting in creation of a fiduciary duty owed to the borrower or its other creditors or shareholders. Because of the expected nature of certain of the investments, the Fund could be subject to claims for damages predicated on theories of lender liability.

In addition, under common law principles that in some cases form the basis for lender liability claims, if a lender intentionally takes an action that results in the undercapitalization of a borrower or issuer to the detriment of other creditors of such borrower or issuer, engages in other inequitable conduct to the detriment of such other creditors, engages in fraud with respect to, or makes misrepresentations to, such other creditors or uses its influence as a stockholder to dominate or control a borrower or issuer to the detriment of other creditors of such borrower or issuer, a court may elect to subordinate the claim of the offending lender or bondholder to the claims of the disadvantaged creditor or creditors (a remedy called “equitable subordination”). If the Fund engages in such conduct, the Fund may be subject to claims from creditors of an obligor that debt held by the Fund should be equitably subordinated. The Fund does not intend to engage in conduct that would form the basis for a successful cause of action based upon the lender liability or equitable subordination doctrines; however, because of the nature of the debt obligations, the Fund or its subsidiaries may be subject to claims from creditors of an obligor that debt obligations of such obligor that are held by the issuer should be equitably subordinated.

Non-Controlling Investments. The Fund is likely to hold a non-controlling interest in each company in which it invests and, therefore, may have a limited ability to protect its position in such company, although in some cases, it is expected that appropriate shareholder rights may be sought to protect the Fund’s interests.

Need for Follow-On Investments. Following its initial investment in a given company, the Fund may decide to provide additional funds to such company or may have the opportunity to increase its investment in a company. There is no assurance that the Fund will make follow-on investments or that the Fund will have sufficient funds to make all or any of such investments. Any decision by the Fund not to make follow-on investments or its inability to make such investments may have a substantial negative effect on a portfolio company in need of such an investment or may result in a lost opportunity for the Fund to increase its participation in a successful operation.

Non-U.S. Investments. While the Fund intends to invest principally in the U.S., the Fund may make investments in a number of different countries. Risks to the Fund’s investments may result from

differences between U.S. and non-U.S. countries, such as the absence of uniform accounting, auditing, and disclosure requirements; the level of government oversight and other legal and regulatory differences, including weaker investor protections and fiduciary duties; less advanced bankruptcy laws; and difficulty in enforcing contractual obligations. Further risks may involve a country's potential economic, political, or social instability, which can lead to expropriation or confiscatory taxation, higher inflation, nationalization, confiscation without fair compensation, or war and can necessitate reliance on a country's diminished economic and physical infrastructure to support investment activity. Such instability may also lead to fluctuations in currency exchange rates that affect the value of investments, and foreign currency and other restrictions imposed to prevent capital flight, which may make it difficult or impossible to exchange or repatriate foreign currency. In addition, in the changing global political realm, what appears to be a stable political situation at the time of an investment may change significantly before such asset can be realized upon.

Laws and regulations of foreign countries may impose restrictions or approval requirements that do not exist in the U.S. and may require the use of financing and structuring alternatives that differ significantly from those customarily used in the U.S. Foreign countries also may impose taxes on the Fund, the activities of the Fund, and/or the Partners. Twist Capital will analyze risks in the applicable foreign countries before recommending investments therein, but no assurance can be given that a political or economic climate, or particular tax, legal, or regulatory risk might not adversely affect an investment by the Fund.

Currency Risk. Multiple investments and the income received by the Fund with respect to such investments may be denominated in various non-U.S. currencies. The books of the Fund, will however, be maintained and capital contributions to and distributions from the Fund will be made, in U.S. dollars. Fluctuations in currency values may adversely affect the U.S. dollar value of Fund investments, interest, dividends and other revenue streams received by the Fund, gains and losses realized on the sale of investments and the amount of distributions, if any, made by the Fund. In addition, the Fund will incur costs in converting investment proceeds from one currency to another. Where practicable, the Fund may enter into hedging transactions designed to reduce such currency risks. Furthermore, the companies in which the Fund invests may be subject to risks relating to changes in currency values, as described above. If such a company suffers adverse consequences as a result of such changes, the Fund may also be adversely affected as a result.

Restricted Securities. The Fund will invest in restricted securities that are subject to substantial holding periods or that are not traded in public markets. Restricted securities generally are difficult or impossible to sell at prices comparable to the market prices of similar securities that are publicly traded. No assurance can be given that any such restricted securities will be eligible to be traded on a public market even if a public market for securities of the same class were to develop. It is highly speculative as to whether and when an issuer will be able to register its securities so that they become eligible for trading in public markets.

Other Instruments and Future Developments. The Fund may take advantage of opportunities in the area of options on securities, swaps, swaptions, and other instruments and any other synthetic or derivative instruments that are not currently contemplated for use by the Fund or that are not currently available, but that may be developed in the future, to the extent such opportunities are both consistent with the Fund's investment objective and legally permissible for the Fund. The Fund may become a party to various other customized derivative instruments entitling the counterparty to certain payments on the gain or loss on the value of an underlying or referenced instrument. All of the investments described above may be made without approval of the Fund's investors.

Item 9: Disciplinary Information

There is no disciplinary information to report about Twist Capital, its affiliates, directors or employees.

Item 10: Other Financial Industry Activities and Affiliations

Related General Partner. Twist Capital Fund I GP LLC is controlled by Twist Capital LLC and serves as general partner to the Fund. For a description of any material conflicts of interest created by the relationship between Twist Capital and the Fund's general partner, as well as a description of how such conflicts are addressed, please see Item 11 below.

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

Code of Ethics

Twist Capital has adopted a written Code of Ethics that is applicable to all of its members, officers and employees and certain independent contractors (“Covered Persons”). The Code of Ethics, which is designed to comply with Rule 204A-1 under the Advisers Act, establishes guidelines for professional conduct and includes standards of behavior relating to: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions. Twist Capital's Code of Ethics is available free upon request to any client or prospective client.

Covered Persons who violate Twist Capital's Code of Ethics may be subject to remedial actions, including, but not limited to, profit disgorgement, fines, censure, demotion, suspension, or dismissal. Covered Persons are also required promptly to report any violation of the Code of Ethics of which they become aware. Covered Persons are required to certify annually their compliance with the Code of Ethics.

Participation or Interest in Client Transactions

Twist Capital and its associated persons may invest in the Fund, either through the general partner of the Fund or as direct investors in the Fund. No Investment Management Fee is charged nor Carried Interest taken on investments held by such persons. For further details regarding these arrangements, as well as conflicts of interest presented by them, please see “Conflicts of Interest” immediately below.

Due in part to the fact that potential investors in the Fund ask different questions and request different information, Twist Capital from time to time may provide certain information to one or more prospective investor or Fund investor that it does not provide to all prospective investors or Fund investors.

Conflicts of Interest

Twist Capital and its affiliates and other related parties engage in a broad spectrum of investment activities. In the future, there may arise instances where the interests of Twist Capital, the Fund's general partner, Twist Capital's principal, and other related parties conflict with the interests of the Fund and its investors. The following discussion sets forth certain potential conflicts of interest.

Other Investment Activities. Instances may arise in the future where the interests of Twist Capital, the Fund's general partner, Twist Capital's principal, and their respective affiliates with respect to other investment activities conflict with the interests of the Fund and the Fund's investors. If such an instance occurs, Twist Capital will seek to allocate investments among its other clients and the Fund on a fair and equitable basis, subject to its client investment allocation policies, which are available upon request. Twist Capital, the Fund's general partner, Twist Capital's principal, and their respective affiliates may in the future acquire other investments in the technology sector or organize other investment funds, subject to the restrictions on organizing successor funds set forth in the Governing Documents and as described herein. Efforts to maximize the value of such other economic interests could adversely affect the value of the Fund's investments or conflict with the interests of the Fund and the Fund's investors.

Investment Management Fee and Investment Management Agreement. Twist Capital will receive the Investment Management Fee from the Fund as set forth in the Governing Documents. Twist Capital and its related parties will benefit from Twist Capital's relationship with and its receipt of fees from the Fund. Such fees and relationship will enhance the value of Twist Capital, and the Fund investors (other than those Fund investors holding direct or indirect interests in Twist Capital, if any) will not participate in any increase in the value of Twist Capital.

Conflicts may arise in determining whether Twist Capital has performed its obligations to the Fund, and/or whether Twist Capital (or any related party) is entitled to be indemnified pursuant to the provisions contained in the investment management agreement between Twist Capital and the Fund ("Investment Management Agreement") or in the Governing Documents.

The managers, officers, and employees of Twist Capital will devote such time as Twist Capital, in its sole discretion, deems necessary to perform its obligations under the Investment Management Agreement. Conflicts of interest may arise in allocating management time, services, or functions among the Fund and other clients, if any, of Twist Capital.

Side Letters. The Fund's general partner and Twist Capital, on behalf of the Fund and their own behalf, may enter into side letter agreements with one or more Fund investors to establish rights under or alter or supplement the terms of the Governing Documents (including, without limitation, providing for revised and more favorable economic terms). As a result, Fund investors will have varying economic terms, and conflicts of interest may arise in connection with decisions made by the Fund's general partner or Twist Capital that may be more beneficial for one type of Fund investor than for another type of Fund investor.

Diverse Membership. The Fund investors, as well as investors investing through a feeder vehicle or parallel investment vehicle, are expected to include taxable and tax-exempt entities and may include persons or entities organized in various jurisdictions. As a result, conflicts of interest may arise in connection with decisions made by the Fund's general partner or Twist Capital that may be more beneficial for one type of Fund investor than for another type of Fund investor. In selecting investments appropriate for the Fund, Twist Capital will consider the investment objective of the Fund as a whole, not the investment objectives of any Fund investor individually.

Board Membership. Twist Capital's principal and/or other members of the Investment Team may, with or without compensation, hold positions on the boards of directors of certain private and/or public companies. In addition, such persons may, with or without compensation, hold positions on the boards of directors of certain charitable organizations. Any such person who so serves will devote a portion of their time in the future to their duties associated with such positions.

Item 12: Brokerage Practices

Selection of Brokers and Dealers

Twist Capital has sole discretion over the purchase and sale of Fund investments and the broker or dealer, if any, to be used to effect transactions. In placing each transaction for the Fund involving a broker-dealer, Twist Capital will see “best execution” of the transaction. “Best execution” means obtaining for the Fund the lowest total cost (in purchasing a security) or highest total proceeds (in selling a security), taking into account the circumstances of the transaction and the reputability and reliability of the executing broker or dealer.

In determining whether a particular broker or dealer is likely to provide best execution in a particular transaction, Twist Capital’s deal team takes into account all factors that it deems relevant to the broker’s or dealer’s execution capability, including, among others, the following: quality of execution (accurate and timely execution, clearance and fair error/dispute resolution); reputation, financial strength, integrity and stability; block trading and block positioning capabilities; willingness to execute difficult transactions; willingness and ability to commit capital; access to underwritten offerings and secondary markets; ongoing reliability; overall costs of a trade (i.e. net price paid or received) including commissions, mark-ups, mark-downs or spreads in the context of Twist Capital’s knowledge of negotiated commission rates currently available and other current transaction costs; nature of the security and the available market makers; desired timing of the transaction and size of trade; confidentiality of trading activity; market intelligence regarding trading activity; and the receipt of prime brokerage and related services, including capital introduction and introductions to management and research and industry information. To the extent consistent with achieving best execution, Twist Capital also considers other business a particular broker or dealer has done with Twist Capital, such as identifying investment opportunities or potential investors or performing investment banking services. When purchasing or selling over-the-counter securities with market makers, Twist Capital generally seeks to select market makers it believes to be actively and effectively trading the security being purchased or sold.

Twist Capital’s deal team and its Chief Compliance Officer are responsible for periodically reviewing broker-dealer eligibility including by any or all of the following: reviewing broker-dealer trading volumes, prices, commissions, other transaction costs, and the overall quality of execution, among other things.

Aggregation of Trades

Twist Capital does not aggregate or bunch the securities to be purchased or sold for multiple clients. This may result in less favorable prices, particularly for illiquid securities or during volatile market conditions.

Item 13: Review of Accounts

Oversight and Monitoring

Fund investments are generally private, illiquid, and long-term in nature, and accordingly, Twist Capital’s review of them is not directed toward a short-term decision to dispose of securities. However, Twist Capital closely monitors the portfolio companies of the Fund and, depending on the size of its interest, generally maintains an ongoing oversight position in such portfolio companies. The Fund’s investments are reviewed by a team of investment professionals on an on-going basis.

All Fund investor accounts are reviewed at least quarterly by Twist Capital's controller and Fund administrator. Additional reviews may be triggered by material market, economic or political events.

Reporting

Fund investors typically receive, among other things, a copy of audited financial statements of the Fund within 120 days after the fiscal year end of the Fund, as well as quarterly performance reports within 90 days after each of the first three fiscal quarters end. The quarterly reports include details about assets held, asset value and fee calculations.

Twist Capital from time to time, in its sole discretion, provides additional information relating to the Fund to one or more Fund investors as it deems appropriate.

Item 14: Client Referrals and Other Compensation

Twist Capital may in the future engage one or more persons to act as a placement in connection with the offer and sale of Fund interests to certain potential investors. Such persons generally will receive a fee in an amount equal to a percentage of the capital commitments for interests made by such potential investors that are subsequently accepted. Investment Management Fees received by Twist Capital are generally reduced by the amount of such fees paid by the Fund.

Item 15: Custody

Twist Capital relies on the “audit exemption” under the Adviser’s Act custody rule (i.e., Rule 206(4)-2(b)(4)). Accordingly, Fund investors will not receive account statements from the Fund’s custodian.

Item 16: Investment Discretion

Twist Capital provides discretionary investment management services to the Fund and not individually to the investors in the Fund. Services are provided to the Fund in accordance with the Governing Documents of the Fund. Investment restrictions for the Fund are generally established in the Fund's Governing Documents.

Item 17: Voting Client Securities (Proxy Voting)

Twist Capital has established written policies and procedures setting forth principles and procedures by which Twist Capital votes or gives consent as a security holder with respect to securities owned by the Fund (“Votes”) for which Twist Capital exercises voting authority and discretion. The guiding principle by which Twist Capital votes all Votes is to vote in the best interests of the Fund by maximizing the economic value of the Fund’s holdings, taking into account the Fund’s investment horizon, the contractual obligations under the relevant legal documents, and all other relevant facts and circumstances at the time of the vote. Twist Capital does not permit voting decisions to be influenced in any manner that is contrary to, or dilutive of, this guiding principle.

It is Twist Capital’s general policy to vote or give consent on all matters presented to security holders in any Vote. However, Twist Capital reserves the right to abstain on any particular Vote or otherwise withhold its vote or consent on any matter if, in the judgment of Twist Capital’s CCO, the costs associated with voting such Vote outweigh the benefits to the Fund or if the circumstances make such an abstention or withholding otherwise advisable and in the best interests of the Fund.

Item 18: Financial Information

Item 18 is not applicable to Twist Capital.