

APPFOLIO INC
Form 3
June 25, 2015

FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

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INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,
Section 17(a) of the Public Utility Holding Company Act of 1935 or Section
30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *

DUCA MAURICE J
(Last) (First) (Middle)

2. Date of Event Requiring Statement

(Month/Day/Year)
06/25/2015

3. Issuer Name and Ticker or Trading Symbol
APPFOLIO INC [APPF]

4. Relationship of Reporting Person(s) to Issuer

5. If Amendment, Date Original Filed(Month/Day/Year)

C/O IGSB, INC., 1485 E VALLEY ROAD, SUITE H

(Street)

(Check all applicable)

Director 10% Owner
 Officer Other
(give title below) (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

SANTA BARBARA, CA 93108

(City) (State) (Zip)

Table I - Non-Derivative Securities Beneficially Owned

1. Title of Security (Instr. 4)

2. Amount of Securities Beneficially Owned (Instr. 4)

3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)

4. Nature of Indirect Beneficial Ownership (Instr. 5)

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

SEC 1473 (7-02)

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 4)

2. Date Exercisable and Expiration Date (Month/Day/Year)

3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)

4. Conversion or Exercise Price of Derivative Security

5. Ownership Form of Derivative Security: Direct (D) or Indirect (I)

6. Nature of Indirect Beneficial Ownership (Instr. 5)

Date Exercisable Expiration Date Title Amount or Number of Shares

(Instr. 5)

Series B Convertible Preferred Stock	<u>Â</u> ⁽¹⁾	<u>Â</u> ⁽¹⁾	Class B Common Stock ⁽²⁾ <u>(3)</u>	1,411,072 ⁽⁴⁾	\$ <u>(1)</u>	I ⁽⁴⁾	By IGSB IVP II, LLC
Series B-1 Convertible Preferred Stock	<u>Â</u> ⁽¹⁾	<u>Â</u> ⁽¹⁾	Class B Common Stock ⁽²⁾ <u>(3)</u>	289,758 ⁽⁴⁾	\$ <u>(1)</u>	I ⁽⁴⁾	By IGSB IVP II, LLC
Series B Convertible Preferred Stock	<u>Â</u> ⁽¹⁾	<u>Â</u> ⁽¹⁾	Class B Common Stock ⁽²⁾ <u>(3)</u>	807 ⁽⁵⁾	\$ <u>(1)</u>	I ⁽⁵⁾	By Internal Venture Fund II, LLC
Series B-1 Convertible Preferred Stock	<u>Â</u> ⁽¹⁾	<u>Â</u> ⁽¹⁾	Class B Common Stock ⁽²⁾ <u>(3)</u>	42,116 ⁽⁵⁾	\$ <u>(1)</u>	I ⁽⁵⁾	By Internal Venture Fund II, LLC
Series A Convertible Preferred Stock	<u>Â</u> ⁽¹⁾	<u>Â</u> ⁽¹⁾	Class B Common Stock ⁽²⁾ <u>(3)</u>	8,065 ⁽⁶⁾	\$ <u>(1)</u>	I ⁽⁶⁾	By IGSB IVP III, LLC
Series B Convertible Preferred Stock	<u>Â</u> ⁽¹⁾	<u>Â</u> ⁽¹⁾	Class B Common Stock ⁽²⁾ <u>(3)</u>	1,512 ⁽⁶⁾	\$ <u>(1)</u>	I ⁽⁶⁾	By IGSB IVP III, LLC
Series B-2 Convertible Preferred Stock	<u>Â</u> ⁽¹⁾	<u>Â</u> ⁽¹⁾	Class B Common Stock ⁽²⁾ <u>(3)</u>	748,391 ⁽⁶⁾	\$ <u>(1)</u>	I ⁽⁶⁾	By IGSB IVP III, LLC
Series B-3 Convertible Preferred Stock	<u>Â</u> ⁽¹⁾	<u>Â</u> ⁽¹⁾	Class B Common Stock ⁽²⁾ <u>(3)</u>	300,691 ⁽⁶⁾	\$ <u>(1)</u>	I ⁽⁶⁾	By IGSB IVP III, LLC
Series B Convertible Preferred Stock	<u>Â</u> ⁽¹⁾	<u>Â</u> ⁽¹⁾	Class B Common Stock ⁽²⁾ <u>(3)</u>	5,041 ⁽⁷⁾	\$ <u>(1)</u>	I ⁽⁷⁾	By IGSB Internal Venture Fund III, LLC
Series B-2 Convertible Preferred Stock	<u>Â</u> ⁽¹⁾	<u>Â</u> ⁽¹⁾	Class B Common Stock ⁽²⁾ <u>(3)</u>	445,471 ⁽⁷⁾	\$ <u>(1)</u>	I ⁽⁷⁾	By IGSB Internal Venture Fund III, LLC
Series B-3 Convertible Preferred Stock	<u>Â</u> ⁽¹⁾	<u>Â</u> ⁽¹⁾	Class B Common Stock ⁽²⁾ <u>(3)</u>	300,691 ⁽⁷⁾	\$ <u>(1)</u>	I ⁽⁷⁾	By IGSB Internal Venture Fund III, LLC

Series A Convertible Preferred Stock	Â (1)	Â (1)	Class B Common Stock (2) (3)	26,079 (8)	\$ (1)	I (8)	By BV Capital Fund LP
Series B Convertible Preferred Stock	Â (1)	Â (1)	Class B Common Stock (2) (3)	8,941 (8)	\$ (1)	I (8)	By BV Capital Fund LP
Series A Convertible Preferred Stock	Â (1)	Â (1)	Class B Common Stock (2) (3)	134 (9)	\$ (1)	I (9)	By Mayfield XI Fund LP
Series B Convertible Preferred Stock	Â (1)	Â (1)	Class B Common Stock (2) (3)	45 (9)	\$ (1)	I (9)	By Mayfield XI Fund LP
Series B-3 Convertible Preferred Stock	Â (1)	Â (1)	Class B Common Stock (2) (3)	12,522 (10)	\$ (1)	I (10)	By Dragoneer Global Fund LP
Series B-3 Convertible Preferred Stock	Â (1)	Â (1)	Class B Common Stock (2) (3)	5,693 (11)	\$ (1)	I (11)	By Dragoneer Opportunities Fund LP

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
DUCA MAURICE J C/O IGSB, INC. 1485 E VALLEY ROAD, SUITE H SANTA BARBARA, CA 93108	Â	Â X	Â	Â
Investment Group of Santa Barbara, LLC C/O IGSB, INC. 1485 E VALLEY ROAD, SUITE H SANTA BARBARA, CA 93108	Â	Â X	Â	Â

Signatures

Investment Group of Santa Barbara, LLC, By: /s/ Kimberly Shea, attorney-in-fact, for Timothy K. Bliss, Member and Vice President

06/25/2015

**Signature of Reporting Person

Date

/s/ Kimberly Shea, attorney-in-fact, for Maurice J. Duca

06/25/2015

**Signature of Reporting Person

Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 5(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) None of the Series of Convertible Preferred Stock have expiration dates. However, each share of Convertible Preferred Stock, irrespective of its Series, will automatically convert into 0.25 of a share of Class B Common Stock prior to the consummation of the Company's initial public offering (the "IPO"). The Class B Common Stock has not been registered, and it is not expected that the Class B Common Stock will be registered in the future, under the Securities Exchange Act of 1934, as amended.
- (2) Each share of Class B Common Stock is convertible, at any time at the option of the holder, into one share of Class A Common Stock. In addition, shares of Class B Common Stock that are transferred after the consummation of the Company's IPO will convert automatically, on a one share-for-one share basis, into shares of Class A Common Stock, except for (i) any transfers, by a partnership or limited liability company that was a registered holder of shares of Class B Common Stock prior to the consummation of the IPO, made to anyone who was a partner or member of any such partnership or limited liability company prior to the consummation of the IPO, and (ii) any transfer to a "qualified recipient" as defined in the Company's amended and restated certificate of incorporation.
- (3) All outstanding shares of Class B Common Stock will convert automatically into shares of Class A Common Stock, on a one share-for-one share basis, on the date when the number of the Company's outstanding shares of Class B Common Stock represents less than 10% of the sum of its outstanding shares of Class A Common Stock and Class B Common Stock.
- (4) These Series B and Series B-1 Preferred Shares are owned of record by IGSB IVP II, LLC, which is a private investment fund. Because Mr. Duca does not possess or share voting or dispositive power over these Shares, he disclaims beneficial ownership of these Shares except to the extent of his pecuniary interest in these Shares.
- (5) These Series B and Series B-1 Preferred Shares are held of record by IGSB Internal Venture Fund II, LLC, which is a private investment fund. Because Mr. Duca does not possess or share voting or investment power over these Shares, he disclaims beneficial ownership of these Shares except to the extent of his pecuniary interest in these Shares.
- (6) These Series A, Series B, Series B-2 and Series B-3 Preferred Shares are held of record by IGSB IVP III, LLC ("IGSB IVP 3"), which is a private investment fund managed by Investment Group of Santa Barbara, LLC ("IGSB"). Mr. Duca is one of three members of IGSB and all decisions regarding the voting and disposition of these Shares requires the unanimous approval of the three members. As a result, Mr. Duca may be deemed to share voting and dispositive power over these Shares with IGSB and its other two members. However, Mr. Duca disclaims beneficial ownership of these Shares except to the extent of his pecuniary interest in these Shares.
- (7) These Series B, Series B-2 and Series B-3 Preferred Shares are held of record by IGSB Internal Venture Fund III, LLC ("IGSB Venture Fund 3"), which is a private investment fund also managed by IGSB. Mr. Duca is one of three members of IGSB and all decisions regarding the voting and disposition of these Shares requires the unanimous approval of the three members. As a result, Mr. Duca may be deemed to share voting and dispositive power over these Shares with IGSB and its other two members. However, Mr. Duca disclaims beneficial ownership of these Shares except to the extent of his pecuniary interest therein.
- (8) Mr. Duca does not possess or share voting or dispositive power over any of these Series A or Series B Shares and disclaims beneficial ownership of these Shares, except to the extent of his pecuniary interest therein.
- (9) Mr. Duca does not possess or share voting or dispositive power over any of these Series A or Series B Shares and disclaims beneficial ownership of all of these Shares, except to the extent of his pecuniary interest therein.
- (10) Mr. Duca does not possess or share voting or dispositive power over any of these Series B-3 Shares and disclaims beneficial ownership of all of these Shares, except to the extent of his pecuniary interest therein.
- (11) Mr. Duca does not possess or share voting or dispositive power over any of these Series B-3 Shares and disclaims beneficial ownership of all of these Shares, except to the extent of his pecuniary interest therein.

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Remarks:

ExhibitÂ List:

ExhibitÂ 24.1 PowerÂ ofÂ Attorney

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *See* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.