

RAUTH WILLIAM R III
Form 4/A
June 29, 2018

FORM 4

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

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN 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 *
RAUTH WILLIAM R III

(Last) (First) (Middle)

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

(Street)

SANTA BARBARA, CA 93108

(City) (State) (Zip)

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

3. Date of Earliest Transaction
(Month/Day/Year)
12/11/2017

4. If Amendment, Date Original Filed(Month/Day/Year)
12/13/2017

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
			Code	V Amount (A) or (D) Price			
Class A Common Stock	12/11/2017		C ⁽¹⁾	40,000 <u>(1)</u>	A <u>(2)</u> <u>(3)</u>	40,000	D
Class A Common Stock						13,072	I ⁽⁴⁾ By IGSB IVP III, LLC

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

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SEC 1474 (9-02)

number.

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

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. P... Der... Sec... (Ins...	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Class B Common Stock	\$ 0	08/09/2017		G	V 2,000	(2)(3)	(2)(3)	Class A Common Stock	2,000
Class B Common Stock	\$ 0	12/11/2017		C ⁽¹⁾	40,000	(2)(3)	(2)(3)	Class A Common Stock	40,000
Class B Common Stock	\$ 0					(2)(3)	(2)(3)	Class A Common Stock	(2) (3)
Class B Common Stock	\$ 0					(2)(3)	(2)(3)	Class A Common Stock	(2) (3)
Class B Common Stock	\$ 0					(2)(3)	(2)(3)	Class A Common Stock	(2) (3)
Class B Common Stock	\$ 0					(2)(3)	(2)(3)	Class A Common Stock	(2) (3)
Class B Common Stock	\$ 0					(2)(3)	(2)(3)	Class A Common Stock	(2) (3)
Class B Common Stock	\$ 0					(2)(3)	(2)(3)	Class A Common Stock	(2) (3)
Class B Common Stock	\$ 0					(2)(3)	(2)(3)	Class A Common Stock	(2) (3)
Class B Common Stock	\$ 0					(2)(3)	(2)(3)	Class A Common Stock	(2) (3)

Stock				Stock
Class B				Class A
Common	\$ 0	(2)(3)	(2)(3)	Common
Stock				Stock
Class B				Class A
Common	\$ 0	(2)(3)	(2)(3)	Common
Stock				Stock
Class B				Class A
Common	\$ 0	(2)(3)	(2)(3)	Common
Stock				Stock
Class B				Class A
Common	\$ 0	(2)(3)	(2)(3)	Common
Stock				Stock
Class B				Class A
Common	\$ 0	(2)(3)	(2)(3)	Common
Stock				Stock

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
RAUTH WILLIAM R III C/O IGSB, INC. 1485 E. VALLEY ROAD, SUITE H SANTA BARBARA, CA 93108		X	X	

Signatures

William R. Rauth, III, By: /s/ Kimberly Shea, Attorney-in-Fact for William R. Rauth, III

06/29/2018

__Signature of Reporting Person

Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 4(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) The Reporting Person acquired these 40,000 shares of AppFolio Class A Common Stock ("Class A Shares") on his conversion of 40,000 shares of AppFolio Class B Shares of common stock ("Class B Shares") that were owned by the Reporting Person.
Each Class B Share is convertible, at any time at the option of the holder, into one Class A Share. In addition, Class B Shares that are sold or otherwise transferred will convert automatically, on a one share-for-one share basis, into Class A Shares, except for (i) any transfer by a partnership or limited liability company that was a registered holder of Class B Shares prior to June 30, 2015 that is made to anyone who was a partner or member of any such partnership or limited liability company prior to June 30, 2015, and (ii) any transfer to a "qualified recipient" (as defined in AppFolio's Amended and Restated Certificate of Incorporation). AppFolio's Class B Shares do not have an expiration date.
 - (2) (Continued from Footnote 2) However, all of the outstanding Class B Shares will convert automatically into Class A Shares, on a one share-for-one share basis, on the date when the number of the Company's outstanding Class B Shares represents less than 10% of the sum of AppFolio's outstanding Class A and Class B Shares.
 - (3)
 - (4)

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These Class A Shares are owned by IGSB IVP III LLC, a private investment fund, which is managed by Investment Group of Santa Barbara LLC ("IGSB"). The Reporting Person is one of the members of IGSB and may be deemed to share voting and dispositive power, with IGSB and its other members, over these Class A Shares. However, the Reporting Person disclaims beneficial ownership of these Class A Shares, except to the extent of any pecuniary interest he may have therein.

- (5) These Class B Shares also are owned by IGSB IVP III LLC, which is managed by IGSB. The Reporting Person is one of the members of IGSB and may be deemed to share voting and dispositive power with IGSB and its other members over these Class B Shares. However, the Reporting Person disclaims beneficial ownership of these Class B Shares, except to the extent of any pecuniary interest he may have therein.

- (6) These Class B Shares are owned by IGSB Internal Venture Fund III LLC, a private investment fund that is managed by IGSB. The Reporting Person is one of the members of IGSB and may be deemed to share voting and dispositive power over these Class B Shares with IGSB and its other members. However, the Reporting Person disclaims beneficial ownership of these Class B Shares, except to the extent of any pecuniary interest he may have therein.

- (7) These Class B Shares are owned by an irrevocable trust established for one of the Reporting Person's grandchildren. The Reporting Person is the trustee of the trust and, therefore, may be deemed to possess sole voting and dispositive power over the Class B Shares owned by it. However, the Reporting Person disclaims any pecuniary interest in these Class B Shares.

- (8) These Class B Shares are owned by an irrevocable trust established for another of the Reporting Person's grandchildren. The Reporting Person is the trustee of the trust and, therefore, may be deemed to possess sole voting and dispositive power over the Class B Shares owned by it. However, he disclaims any pecuniary interest in these Class B Shares.

- (9) On April 21, 2017, the Reporting Person's beneficial ownership of 5,041 Class B Shares that are owned by Ospre-Point Capital, LLC ceased as a result of his resignation as its Manager. As was previously disclosed in prior reports, the Reporting Person did not have a pecuniary interest in any of those Class B Shares.

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.