

Redwood Collective (RC) Capital Call Process and Investment Timeline

Capital Call Procedures

Our capital call process is designed for efficiency while providing adequate notice to our Limited Partners:

- **Standard Industry Practice:** Capital calls typically require a 10-day notice period
- **RC Process:** We provide our LPs with 7 days' notice for capital calls
- **Cash Management Philosophy:** We maintain minimal cash on our balance sheet, ensuring efficient capital deployment and maximizing returns to our investors

Investment Deployment Schedule

Based on our investment strategy and market opportunities, we have communicated the following expected capital deployment timeline to our Limited Partners:

Investment Year	Expected Deployment	Rationale
Year 1	30%	Initial portfolio construction and high-conviction opportunities
Year 2	30%	Continued deployment and follow-on investments
Year 3	30%	Portfolio completion and strategic additions
Years 4+	10%	Follow-on investments, reserves, and opportunistic deals

Total deployment timeline: Approximately 3 years for primary investment cycle

Investment Strategy and Target Returns

Partnership with Premier Venture Capital Firms

We strategically invest in the best-in-class venture capital firms, including:

- Kleiner Perkins Caufield & Byers (KPCB)
- Lightspeed Venture Partners
- 8VC
- General Catalyst
- And more...

Return Expectations

Target Distributed to Paid-In Capital (DPI) Ratio: 3-4x

This target reflects our focus on partnering with premier venture capital firms that have:

- Proven track records of exceptional returns
- Access to the highest-quality deal flow
- Deep expertise in identifying and scaling transformative companies
- Strong portfolio construction and risk management capabilities

Investment Philosophy

Our approach centers on accessing the "best of the best" in venture capital, leveraging the expertise and deal flow of established, top-performing firms. This strategy is designed to:

- **Maximize Return Potential:** Target 3-4x DPI through partnership with proven performers
- **Diversify Risk:** Spread investments across multiple premier firms and their portfolios
- **Ensure Quality:** Access institutional-grade opportunities typically reserved for major investors
- **Optimize Timing:** Benefit from experienced teams' market timing and exit strategies