



Cove Hill Partners Makes Strategic Investment in NetDocuments

Cove Hill joins Clearlake Capital as a Partner in Accelerating Growth for Leading Secure Cloud Platform

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NetDocuments, the leading secure cloud-based content services platform for law firms and corporate legal and compliance departments, today announced the closing of a significant new equity investment from Cove Hill Partners, L.P. (together with its affiliates, “Cove Hill”). Cove Hill joins Clearlake Capital Group, L.P. (together with its affiliates, “Clearlake”) as a strategic investment partner to support the company’s rapid growth and innovation and becomes a minority shareholder in the Company. Terms of the transaction are not being disclosed.

For the last two decades, NetDocuments has delivered innovation through its world-class content services platform, which enables customers to manage, collaborate, share, and govern documents, e-mails, and other information securely in the cloud. NetDocuments is used by over 2,500 professional services firms and corporate legal departments in more than 140 countries.

“Each day, more organizations are making the switch to the NetDocuments platform from our competitors,” said Josh Baxter, NetDocuments CEO. “This market movement, coupled with Cove Hill’s investment, is a testament to the strength of our platform and its unlimited possibilities.”

Since Clearlake took ownership of NetDocuments in 2017, ARR has grown more than 65 percent. Over that time, NetDocuments has rapidly expanded its product portfolio through organic R&D investments and strategic acquisitions and grown its reach through investments in sales and marketing.

“When we initially invested in NetDocuments, we partnered with management to implement the Clearlake O.P.S.[®] framework, including initiatives focused on augmenting the Company’s senior leadership team with world-class SaaS executive talent and investing heavily in the Company’s sales resources and go-to-market channels,” said Behdad Eghbali, Clearlake Managing Partner and Co-Founder.

“This transaction marks the positive recognition of the team’s achievements executing upon this vision and creating a strong future runway, as the legal and compliance

industries continue to transition to true SaaS and cloud-based solutions,” continued Prashant Mehrotra, a Partner at Clearlake.

“Cove Hill is excited to partner with the strong management team at NetDocuments and to join Clearlake as investors in the Company. As the premier secure cloud-based content services platform, NetDocuments represents a unique investment opportunity to drive growth over the long-term with a market leading business,” said Justin Roberts, Co-Founder and Partner at Cove Hill.

The NetDocuments management team will continue to lead the Company, leveraging Cove Hill’s and Clearlake’s partnership to broaden its offerings to address the needs of its customers. The management team remains investors and owners in the company.

“As organizations face increased security and technology demands, only pure SaaS companies will have the agility to quickly and effectively address these needs,” said Alvin Tedjamulia, NetDocuments CTO. “With its highly secure, cloud-based platform, NetDocuments is uniquely positioned to serve its customers over the long-term.”

William Blair acted as financial advisors to NetDocuments.

About NetDocuments

Founded in 1999, and with more than 2,500 enterprise customers worldwide, NetDocuments is the legal industry’s most trusted cloud-based content services and workflow platform. Complete with state-of-the-art built-in security, compliance and governance solutions, NetDocuments offers document management, email management and collaboration technology complete with disaster recovery, enterprise search, and matter centricity features. For more information about NetDocuments, please visit: <https://www.netdocuments.com>.

About Clearlake Capital

Clearlake Capital Group, L.P. is a leading private investment firm founded in 2006. With a sector-focused approach, the firm seeks to partner with world-class management teams by providing patient, long-term capital to dynamic businesses that can benefit from Clearlake’s operational improvement approach, *O.P.S.*® The firm’s core target sectors are software and technology-enabled services; industrials and energy; and consumer. Clearlake has managed over \$8 billion of institutional capital since inception and its senior investment principals have led or co-led over 100 investments. More information is available at www.clearlake.com.

About Cove Hill Partners

Cove Hill Partners is a long-term oriented private equity firm focused on partnering with outstanding management teams to build market-leading technology and consumer companies. The firm manages a long-duration fund with over \$1 billion of commitments from its investors and founders. The firm was founded in 2017 by seasoned private equity investors to invest their personal capital alongside a small group of likeminded investors. Based in Boston, Cove Hill has an innovative structure that provides the flexibility to enable a patient, concentrated and value-add approach in a small portfolio of long-term

investments. More information about Cove Hill Partners can be found at www.covehillpartners.com.

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