

FORM ADV**Uniform Application for Investment Adviser Registration****Part II - Page 1****OMB APPROVAL**

OMB Number: 3235-0049
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Hours per response.....4.07

Name of Investment Adviser: Netrin Investments, LP						
Address:	(Number and Street)	(City)	(State)	(Zip Code)	Area Code:	Telephone Number:
	1231 Mountain Lake Drive	Missouri City	TX	77459	281.499.9624	

**This part of FORM ADV gives information about the investment adviser and its business for the use of clients.
The information has not been approved or verified by any government authority.**

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(Schedule A, B, C, D, and E are included with Part I of this Form, for the use of regulatory bodies, and are not distributed to clients.)

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 control number.

Applicant: **Netrin Investments, LP**

SEC File Number:

801- 69297

Date:

May 2009

1. A. Advisory Services and Fees. (check the applicable boxes)

For each type of service provided, state the approximate % of total advisory billings from that service. (See instruction below.)

Applicant:

- | | | |
|-------------------------------------|--|---------|
| <input type="checkbox"/> | (1) Provides investment supervisory services | _____ % |
| <input checked="" type="checkbox"/> | (2) Manages investment advisory accounts not involving investment supervisory services..... | 90 % |
| <input checked="" type="checkbox"/> | (3) Furnishes investment advice through consultations not included in either service described above... | 10 % |
| <input type="checkbox"/> | (4) Issues periodicals about securities by subscription | _____ % |
| <input type="checkbox"/> | (5) Issues special reports about securities not included in any service described above..... | _____ % |
| <input type="checkbox"/> | (6) Issues, not as part of any service described above, any charts, graphs, formulas, or other devices which clients may use to evaluate securities..... | _____ % |
| <input type="checkbox"/> | (7) On more than an occasional basis, furnishes advice to clients on matters not involving securities... | _____ % |
| <input type="checkbox"/> | (8) Provides a timing service | _____ % |
| <input type="checkbox"/> | (9) Furnishes advice about securities in any manner not described above..... | _____ % |

(Percentages should be based on applicant's last fiscal year. If applicant has not completed its first fiscal year, provide estimates of advisory billings for that year and state that the percentages are estimates.)

B. Does applicant call any of the services it checked above financial planning or some similar term? Yes ☐ No ☒

C. Applicant offers investment advisory services for: (check all that apply)

- | | |
|---|--|
| <input checked="" type="checkbox"/> (1) A percentage of assets under management | <input type="checkbox"/> (4) Subscription fees |
| <input checked="" type="checkbox"/> (2) Hourly charges | <input type="checkbox"/> (5) Commissions |
| <input type="checkbox"/> (3) Fixed fees (not including subscription fees) | <input checked="" type="checkbox"/> (6) Other |

D. For each checked box in A above, describe on Schedule F:

- the services provided, including the name of any publication or report issued by the adviser on a subscription basis or for a fee
- applicant's basic fee schedule, how fees are charged and whether its fees are negotiable
- when compensation is payable, and if compensation is payable before service is provided, how a client may get a refund or may terminate an investment advisory contract before its expiration date

2. Types of clients - Applicant generally provides investment advice to: (check those that apply)

- | | |
|---|--|
| <input checked="" type="checkbox"/> A. Individuals | <input checked="" type="checkbox"/> E Trusts, estates, or charitable organizations |
| <input type="checkbox"/> B. Banks or thrift institutions | <input checked="" type="checkbox"/> F. Corporations or business entities other than those listed above |
| <input type="checkbox"/> C. Investment companies | <input type="checkbox"/> G. Other (describe on Schedule F) |
| <input checked="" type="checkbox"/> D. Pension and profit sharing plans | |

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1)

3. Types of Investments. Applicant offers advice on the following: (check those that apply)

- | | |
|---|---|
| <input checked="" type="checkbox"/> A. Equity securities | <input type="checkbox"/> H. United States government securities |
| <input checked="" type="checkbox"/> (1) exchange-listed securities | <input checked="" type="checkbox"/> I. Options contracts on: |
| <input checked="" type="checkbox"/> (2) securities traded over-the-counter | <input type="checkbox"/> (1) securities |
| <input type="checkbox"/> (3) Foreign issuers | <input type="checkbox"/> (2) commodities |
| <input type="checkbox"/> B. Warrants | <input type="checkbox"/> J. Futures contracts on: |
| <input type="checkbox"/> C. Corporate debt securities (other than commercial paper) | <input type="checkbox"/> (1) tangibles |
| <input type="checkbox"/> D. Commercial paper | <input type="checkbox"/> (2) intangibles |
| <input type="checkbox"/> E. Certificates of deposit | <input type="checkbox"/> K. Interests in partnerships investing in: |
| <input type="checkbox"/> F. Municipal securities | <input type="checkbox"/> (1) real estate |
| <input type="checkbox"/> G. Investment company securities: | <input type="checkbox"/> (2) oil and gas interests |
| <input type="checkbox"/> (1) variable life insurance | <input type="checkbox"/> (3) other (explain on Schedule F) |
| <input type="checkbox"/> (2) variable annuities | <input type="checkbox"/> L. Other (explain on Schedule F) |
| <input checked="" type="checkbox"/> (3) mutual fund shares | |

4. Methods of Analysis, Sources of Information, and Investment Strategies.

A. Applicant's security analysis methods include: (check those that apply)

- | | |
|---|--|
| (1) <input type="checkbox"/> Charting | (4) <input type="checkbox"/> Cyclical |
| (2) <input type="checkbox"/> Fundamental | (5) <input type="checkbox"/> Other (explain on Schedule F) |
| (3) <input checked="" type="checkbox"/> Technical | |

B. The main sources of information applicant uses include: (check those that apply)

- | | |
|--|--|
| (1) <input checked="" type="checkbox"/> Financial newspapers and magazines | (5) <input type="checkbox"/> Timing services |
| (2) <input type="checkbox"/> Inspections of corporate activities | (6) <input checked="" type="checkbox"/> Annual reports, prospectuses, filings with the |
| (3) <input type="checkbox"/> Research materials prepared by others | Securities and Exchange Commission |
| (4) <input type="checkbox"/> Corporate rating services | (7) <input checked="" type="checkbox"/> Company press releases |
| | (8) <input type="checkbox"/> Other (explain on Schedule F) |

C. The investment strategies used to implement any investment advice given to clients include: (check those that apply)

- | | |
|--|---|
| (1) <input checked="" type="checkbox"/> Long term purchases
(securities held at least a year) | (5) <input checked="" type="checkbox"/> Margin transactions |
| (2) <input checked="" type="checkbox"/> Short term purchases
(securities sold within a year) | (6) <input checked="" type="checkbox"/> Option writing, including covered options,
uncovered options or spreading strategies |
| (3) <input checked="" type="checkbox"/> Trading (securities sold within 30 days) | (7) <input type="checkbox"/> Other (explain on Schedule F) |
| (4) <input checked="" type="checkbox"/> Short sales | |

Applicant: Netrin Investments, LP

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5. Education and Business Standards.

Are there any general standards of education or business experience that applicant requires of those involved in determining or giving investment advice to clients? ☐ Yes ☒ No

(If yes, please describe these standards on Schedule F)

6. Education and Business Background.

For:

- each member of the investment committee or group that determines general investment advice to be given to clients, or
- if the applicant has no investment committee or group, each individual who determines general investment advice clients (if more than five, respond only for their supervisors)
- each principal executive officer of applicant or each person with similar status or performing similar functions.

On Schedule F, give the:

- name
- year of birth
- formal education after high school
- business background for the preceding five years

7. Other Business Activities. (check those that apply)

- ☐ A. Applicant is actively engaged in a business other than giving investment advice.
- ☐ B. Applicant sells products or services other than investment advice to clients.
- ☐ C. The principal business of applicant or its principal executive officers involves something other than providing investment advice.

(For each checked box describe the other activities, including the time spent on them, on Schedule F.)

8. Other Financial Industry Activities or Affiliations. (check those that apply)

- ☐ A. Applicant is registered (or has an application pending) as a securities broker-dealer.
- ☐ B. Applicant is registered (or has an application pending) as a futures commission merchant, commodity pool operator or commodity trading adviser.
- ☐ C. Applicant has arrangements that are material to its advisory business or its clients with a related person who is a:
- | | |
|--|--|
| <input type="checkbox"/> (1) broker-dealer | <input type="checkbox"/> (7) accounting firm |
| <input type="checkbox"/> (2) investment company | <input type="checkbox"/> (8) law firm |
| <input type="checkbox"/> (3) other investment adviser | <input type="checkbox"/> (9) insurance company or agency |
| <input type="checkbox"/> (4) financial planning firm | <input type="checkbox"/> (10) pension consultant |
| <input type="checkbox"/> (5) commodity pool operator, commodity trading adviser or futures commission merchant | <input type="checkbox"/> (11) real estate broker or dealer |
| <input type="checkbox"/> (6) banking or thrift institution | <input type="checkbox"/> (12) entity that creates or packages limited partnerships |

(For each checked box in C, on Schedule F identify the related person and describe the relationship and the arrangements.)

- D. Is applicant or a related person a general partner in any partnership in which clients are solicited to invest?.. ☐ Yes ☒ No

(If yes, describe on Schedule F the partnerships and what they invest in.)

Applicant: Netrin Investments, LP

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9. Participation or Interest in Client Transactions.

Applicant or a related person: (check those that apply)

- ☐ A. As principal, buys securities for itself from or sells securities it owns to any client.
- ☐ B. As broker or agent effects securities transactions for compensation for any client.
- ☐ C. As broker or agent for any person other than a client effects transactions in which client securities are sold to or bought from a brokerage customer.
- ☐ D. Recommends to clients that they buy or sell securities or investment products in which the applicant or a related person has some financial interest.
- ☒ E. Buys or sell for itself securities it also recommended to clients.

(For each box checked, describe on Schedule F when the applicant or a related person engages in these transactions and what restrictions, internal procedures, or disclosures are used for conflicts of interest in those transactions.)

Describe, on Schedule F, your code of ethics, and state that you will provide a copy of your code of ethics to any client or prospective client upon request.

- 10. Conditions for Managing Accounts.** Does the applicant provide investment advisory services, manage investment advisory accounts or hold itself out as providing financial planning or some similarly termed services *and* impose a minimum dollar value of assets or other condition for starting or maintaining an account?

Yes No
☒ ☐

(If yes, describe on Schedule F)

- 11. Review of Accounts.** If applicant provides investment supervisory services, manages investment advisory account, or holds itself out as providing financial planning or some similarly termed services:

- A. Describe below the reviews and reviewers of the accounts. **For reviews**, include their frequency, different levels, and triggering factors. **For reviewers**, include the number of reviewers, their titles and functions, instructions they receive from applicant on performing reviews, and number of accounts assigned each.

Client accounts are monitored regularly, generally on at least a weekly basis by Mr. Gupta, CCO of Netrin Investments, LP. Reviews entail monitoring account positions versus market movement, market sectors and the client's objective. Triggers for additional reviews include major market moves and/or changes in a client's risk tolerance or objective.

- B. Describe below the nature and frequency of regular reports to clients on their accounts.

The firm requires clients to use "Qualified Custodians" who provide the client with at least quarterly statements of account holdings and transactions, including any disbursements from the account.

12. Investment or Brokerage Discretion.

A. Does applicant or any related person have authority to determine, without obtaining specific client consent, the:

- | | | |
|--|-------------------------------------|-------------------------------------|
| | Yes | No |
| (1) securities to be bought or sold? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| (2) amount of securities to be bought or sold? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| (3) broker or dealer to be used? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| (4) commission rates paid? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

B. Does applicant or a related person suggest brokers to clients? ☒ Yes ☐ No

For each yes answer to A describe on Schedule F any limitations on the authority. For each yes to A(3), A(4) or B, describe on Schedule F the factors considered in selecting brokers and determining the reasonableness of their commissions. If the value of products, research and services given to the applicant or a related person is a factor, describe:

- the products, research and services
- whether clients may pay commissions higher than those obtainable from other brokers in return for those products and services
- whether research is used to service all of applicant's accounts or just those accounts paying for it; and
- any procedures the applicant used during the last fiscal year to direct client transactions to a particular broker in return for product and research services received.

13. Additional Compensation.

Does the applicant or a related person have any arrangements, oral or in writing, where it:

- | | | |
|---|--------------------------|-------------------------------------|
| A. is paid cash by or receives some economic benefit (including commissions, equipment or non-research services) from a non-client in connection with giving advice to clients? | Yes | No |
| | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| B. directly or indirectly compensates any person for client referrals? | Yes | No |
| | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

(For each yes, describe the arrangements on Schedule F.)

14. Balance Sheet. Applicant must provide a balance sheet for the most recent fiscal year on Schedule G if applicant:

- has custody of client funds or securities (unless applicant is registered or registering only with the Securities and Exchange Commission); or
- requires prepayment of more than \$500 in fees per client and 6 or more months in advance

Has applicant provided a Schedule G balance sheet?..... ☐ Yes ☒ No

Applicant:

Netrin Investments, LP

SEC File Number:

801-69297

CRD 115356

Date:

06/2008

Netrin Investments, LP

Tax id #76-0684667

Item of Form (identify)	Answer										
Item 1A2	<p>Description of services</p> <p>Netrin Investments, LP ("Netrin") or the ("Firm") manages client accounts at brokerage houses and mutual fund companies. The firm's investment strategy is primarily to sell option contracts on selected market indices.</p> <p>Netrin agrees to provide investment advisory services by supervising and directing investments and making all investment decisions for the client with respect to the securities and funds delivered by the client to his account. Netrin will formulate and structure a portfolio, purchasing and selling open-end and closed-end mutual funds, bonds, stocks, stock options and index options (including uncovered options) on an on-going basis. Regarding mutual funds, only no-load funds will be used unless pre-approved by the client for special situations. Netrin will choose funds and individual securities based on the Firm's analysis and evaluation of the market and the client's risk tolerance and investment objective at that time. Should the client want Netrin to refrain from purchasing certain types of securities, he/she would inform Netrin about that intention in writing.</p> <p>Fees</p> <p>Netrin may charge a client a quarterly investment management fee which is based on assets under management and/or a performance fee. Performance fees may only be charged to qualified clients as defined in section 205-3(d)(1) of the Investment Advisers Act of 1940.</p> <p><i>Investment Management Fee for non-qualified investors</i></p> <p>Depending on the dollar value and complexity of trades in the account, the annual fee may range from 1.2% to 4% of the assets under management for non-qualified investors. Fees are calculated based on the portfolio valuation as determined by the account custodian broker or mutual fund company at the close of market on the last business day of each period. Fees are billed quarterly in advance each quarter at the rate of one fourth of the annual fee shown below. Netrin also deducts its management fees directly from clients' accounts. The SEC deems this deduction of management fees to be a form of custody. In all other matters The Firm has no custody of client securities or funds and requires the use of an outside custodian. The firm also requires that all clients use a "qualified custodian" that provides each client at least a quarterly statement showing all holdings and transactions occurring in the account. This fee is negotiable under limited circumstances.</p> <table><thead><tr><th><u>Annual fee</u></th><th><u>Account type</u></th></tr></thead><tbody><tr><td>1.2%</td><td>Employer-sponsored retirement accounts, such as 401K</td></tr><tr><td>2.0%</td><td>Individual retirement accounts such as IRA and KEOGH</td></tr><tr><td>3.0%</td><td>Regular accounts (non-retirement) with assets greater than or equal to \$100,000</td></tr><tr><td>4.0%</td><td>Regular accounts with assets less than \$750,000</td></tr></tbody></table>	<u>Annual fee</u>	<u>Account type</u>	1.2%	Employer-sponsored retirement accounts, such as 401K	2.0%	Individual retirement accounts such as IRA and KEOGH	3.0%	Regular accounts (non-retirement) with assets greater than or equal to \$100,000	4.0%	Regular accounts with assets less than \$750,000
<u>Annual fee</u>	<u>Account type</u>										
1.2%	Employer-sponsored retirement accounts, such as 401K										
2.0%	Individual retirement accounts such as IRA and KEOGH										
3.0%	Regular accounts (non-retirement) with assets greater than or equal to \$100,000										
4.0%	Regular accounts with assets less than \$750,000										

Complete amended pages in full, circle amended items and file with execution page (page 1).

Netrin Investments, LP		Tax id #76-0684667
Item of Form (identify)	Answer	
	<p>Negotiable Accounts with assets in excess of \$750,000</p> <p><i>Other investment advisors may charge lower fees.</i></p> <p><i>Investment Management Fee for qualified investors</i></p> <p>The Annual fee for qualified investors is 2%. Qualified investors will also be charged a performance fee, up to 25%. There is a high-water loss carry forward mark before the performance fee can be assessed.</p> <p>Required disclosure: Any advisor who wished to charge 3.0% or greater of the assets under management must disclose that such fee is in excess of the industry norm and that similar advisory fees can be obtained for less.</p> <p>Netrin prorates fees for new accounts that come in during a quarter, charging the account the initial fee upon receipt of the assets, based on the asset valuation of the account on the day the account is fully funded. Thereafter, quarterly fees are adjusted on a pro-rated basis for deposits and withdrawals during the prior quarter. Although there is no minimum dollar value on account size, there is a minimum service fee of \$125 per quarter per account. Vishnu, is this a service fee in addition to the investment management fee, or is this a minimum investment management fee?</p> <p>Netrin's management fee is payment for management of the account(s) by advisor. Funds held pending investment may be invested in a money market fund, or funds may also be invested in mutual fund shares. Money market and mutual funds pay a separate management fee to their managers, which is included in the internal expenses of each fund. Money market and mutual fund fees and costs are described in the fund's prospectus, a copy of which will be furnished to the client by the custodian, and are separate from the fee paid to Netrin. Any SEC fees, commissions, transaction fees, etc. that are charged against the account(s) are separate from advisor's management fee and will be deducted from the appropriate account(s) by the custodian.</p> <p>Clients receive Part II of Form ADV, Netrin's disclosure statement at the onset of each relationship. If the appropriate disclosure statement was not delivered to the client at least 48 hours prior to the client's entering into any written or oral advisory contract with this investment advisor, then the client has the right to terminate the contract without penalty within five business days after entering into the contract. For the purposes of this provision, a contract is considered entered into when all parties to the contract have signed the contract, or in the case of an oral contract, otherwise signified their acceptance.</p> <p>The client agreement may be terminated by either party upon receipt of written notice from the other party. The fees for the quarter in which termination of the agreement occurs shall be refunded on a pro-rata basis. Upon termination of the agreement, advisor will have no obligation to take any action with regard to investments in the client's account(s).</p> <p><i>Performance Fees</i></p>	
Complete amended pages in full, circle amended items and file with execution page (page 1).		

Comment [LS1]: This doesn't square with the language later in this section about performance fees.

Comment [LS2]: You refer to a high water mark elsewhere, but it isn't described. It needs to be described....how long does a loss carry forward, etc.

Netrin Investments, LP		Tax id #76-0684667
Item of Form (identify)	Answer	
Item 9E	<p><u>Participation or Interest in Client Transactions</u></p> <p>Netrin or individuals associated with the firm may not buy, sell, or hold in their personal accounts the same securities the firm recommends to its clients. That is, an employee may not purchase or hold an option on the same security at the same strike price and the same date as those held or being purchased for clients. <i>Do you think this works as a trading policy?</i></p> <p>To mitigate conflicts of interest, Netrin has established the following policies in order to ensure its fiduciary responsibilities and place the interests of its clients first:</p> <ul style="list-style-type: none"> • An officer, director, or employee of Netrin shall not buy or sell securities for a personal portfolio when the decision to purchase is substantially derived, in whole or in part, by reason of employment with the firm unless the information is also available to the investing public on reasonable inquiry. No person associated with the firm shall prefer his or her own interest to that of any advisory client. • Firm personnel must obtain approval from the Chief Compliance Officer prior to participating in an IPO or buying or selling a private placement. • Firm personnel are required to submit reports of securities transactions and holdings on regular intervals. These reports are reviewed by the Chief Compliance Officer to determine if the code of ethics has been breached, or if the firm's policies require revision. <p>Clients are free to request copies of this Code if they wish, which will be provided promptly at no charge.</p> <p>Netrin manages assets for clients using a Limited Power of Attorney, granting the Firm the right to place trades in clients' account(s) without obtaining prior permission from the client. The firm may only direct funds transferred to an account bearing the same name, with the exception of the deduction of management fees.</p> <p>Netrin does not vote proxies for its clients.</p>	
Item 10	<p>Minimum Account Sizes or Fees:</p> <p>Netrin has a negotiable minimum fee of \$125 per quarter.</p>	
Items 12A1 and 2 and B	<p>Netrin determines the type and amount of securities for all accounts it manages. The Firm recommends brokerage firms based on their execution speed, deeply discounted commissions and the flexibility to trade multiple accounts online.</p>	

Comment [LS3]: This is what we discussed in our call, which will change answers on Part 2.

Comment [LS4]: Of course this needs to square with the language in Item 1 too.

Complete amended pages in full, circle amended items and file with execution page (page 1).