

**Kore Advisors LP**  
**Part 2A of Form ADV**

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**February, 2012**

This Brochure provides information about the qualifications and business practices of Kore Advisors LP (“Kore” or the “Firm”). If you have any questions about the contents of this Brochure, please contact the Chief Compliance Officer at (561) 737-1721. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Registration of an investment adviser does not imply that Kore Advisors LP or any of our principals or employees possesses a particular level of skill or training in the investment advisory business or any other business.

Additional information about Kore is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**Item 2: Material Changes**

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On July 28, 2010, the SEC published “Amendments to Form ADV” which amends the disclosure document that investment advisers provide to clients as required by SEC Rules. This Brochure is a new document prepared according to the SEC’s new requirements and rules.

In the future, this Item will discuss only *specific material changes* that are made to the Brochure and provide clients with a summary of such changes. We will also reference the date of our last annual update of our Brochure.

Pursuant to new SEC Rules, we will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days our fiscal year-end. We may further provide other ongoing disclosure information about material changes as necessary.

We will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

Currently, our Brochure may be requested by contacting Kore’s Chief Compliance Officer (“CCO”) at (561) 737-1721 or [compliance@korecapital.com](mailto:compliance@korecapital.com).

Additional information about Kore is also available via the SEC’s web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC’s web site also provides information about any persons affiliated with Kore who are registered, or are required to be registered, as investment adviser representatives of Kore.

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**Item 4: Advisory Business**

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Kore Advisors LP, a Delaware limited partnership, was founded in 2002, and registered with the SEC as an investment advisor in January 2012. Kore Management LLC, a Delaware limited liability company, is the General Partner of Kore which is deemed to be beneficially controlled by Mr. Gary Kosinski. As of December 31, 2011, Kore managed approximately \$940,000,000 of assets on a discretionary basis on behalf of its clients.

Kore provides investment management services on a discretionary basis to private investment funds, (each a “Fund,” and collectively the “Funds”) and institutional managed accounts (“Managed Accounts”, and together with the Funds, the “Clients” or “Client Accounts”). The Funds currently managed by Kore include: the Kore Fixed Income Fund, Ltd, a Cayman Islands exempt company (the “Master Fund”) and the Kore Onshore Fixed Income Fund LP, a Delaware Limited Partnership, (the “Onshore Feeder Fund”). The Onshore Feeder Fund invests substantially all of its funds in the Master Fund.

The Funds are managed in accordance with each Fund’s investment objectives, strategies, restrictions and guidelines, which are set forth in more detail in the Fund’s relevant governing documents, including the applicable private offering memorandum. Kore manages Managed Account Clients in accordance with the Managed Account’s own investment objectives and restrictions as set forth in the applicable investment advisory agreement with Kore, which may or may not incorporate the same investment strategy applied to the Funds.

**Item 5: Fees and Compensation**

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The Funds and Managed Accounts are generally charged fees consisting of: (i) a management fee and (ii) a performance fee which is calculated based upon a percentage of the net capital appreciation of the Funds at the end of each fiscal year.

Kore’s current fee schedule is generally as follows:

Management Fee: 2% annually (0.167% monthly)

Performance Fee: 20% annually (subject to a hurdle rate), as described below

The management fee is accrued monthly and paid quarterly in arrears and is prorated for partial periods. Kore’s fees are exclusive of brokerage commissions, transaction fees, custodial fees and other related costs and expenses which shall be incurred by the Clients.

Although fees generally are not subject to negotiation, Kore reserves the right to waive or impose different fees or otherwise modify the fee arrangements of an existing investor in the Funds with the consent of such investor.

**Item 6: Performance-Based Fees and Side-By-Side Management**

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As described in Item 5, Kore charges performance-based fees which are based on a share of appreciation of the Client's assets. Any Client Account that pays a performance fee must be a "Qualified Client" as set forth in Rule 205-3 of the Investment Advisers Act of 1940 (the "Advisers Act").

In measuring Fund or Managed Account profits for the calculation of the performance fee, Kore includes realized and unrealized capital gains and losses.

Generally, at the end of each year, we charge an aggregate amount equal to 20% of the new net profits, subject to "high water mark" and "hurdle rate." The "high water mark" feature prevents Kore from receiving a performance fee for profits that simply restore previous losses and is intended to insure that each performance fee is based on the long-term performance of an investment in the Client accounts. In addition, if the rate of return of new profit (after all fees and expenses) earned for a Client is less than the hurdle rate (which is the average U.S. Federal Funds rate for such year as reported in the *Wall Street Journal*) for such year, then we will not receive a performance fee from such Client. The hurdle rate provision is not cumulative and applies to each year and each Investor separately.

In our sole discretion, we may waive all or any portion of the performance fee with respect to a Client.

A performance based fee arrangement may create an incentive for us to recommend investments which may be riskier or more speculative than those which would be recommended under a different fee arrangement. Such fee arrangements also create an incentive to favor higher fee paying accounts over other accounts in the allocation of investment opportunities.

**Item 7: Types of Clients**

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As discussed in the Item 4, Kore provides investment management services to private investment funds and institutional managed accounts clients. The investors in the Funds must meet both the requirements for an "accredited investor" under the Securities Act of 1933, as amended (the "1933 Act") and a "qualified purchaser" under the Investment Company Act of 1940, as amended (the "Investment Company Act").

**Item 8: Methods of Analysis, Investment Strategies and Risk of Loss**

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***Methods of Analysis and Investment Strategy***

Our investment strategy is to achieve capital appreciation with minimum volatility and preservation of capital primarily through leveraged trading in the G-10 government, agency, corporate, asset-backed and other fixed income securities, currencies and related derivatives markets. In managing its Client Accounts, Kore

employs a multi-strategy fixed income and capital structure trading and investing strategy.

We attempt to quantify and limit downside risk of our investment strategies, including credit risk, currency risk, convexity risk, interest rate risk, concentration risk, liquidity risk, financing risk and volatility. We employ a proprietary risk metric to monitor risk which takes into account fundamental analysis and statistical analysis – such as VAR measures, historic worst move analysis and stress-test/scenario analysis, as well as reasoned judgment.

We may utilize leverage on behalf of the Clients in making investments. The amount of leverage that we may use on a particular trade will vary depending on the strategy and availability of leverage. There is however no internal limit on the amount of leverage that we may employ. We may, among other things, borrow funds from banks and other lenders, utilize futures, forwards, swaps and other derivatives to acquire leverage, finance investments through repurchase and reverse repurchase agreements, total return swaps and options and trade securities and derivatives on margin.

### ***Risk of Loss Factors***

All of the investments we manage on behalf of our Clients entail a certain degree of risk. Although we strive to manage risk in accordance with our investment strategies, we can provide no guarantee that our efforts will be successful. Because we utilize a similar investment strategy in managing both the Funds and Managed Accounts, prospective clients are advised to review the applicable Fund offering documents for a more extensive description of the risks of investing in the Funds. Prospective Managed Account clients may request additional details relating to such risks from Kore. Set forth below is a non-exhaustive list of certain risk factors:

### ***Operational Risk***

Our strategies are highly dependent on information systems and technology. Any failure or deterioration of these systems or technology due to human error, data transmission failures or other causes could materially disrupt our operations. A disaster or a disruption in the infrastructure that supports our business, including a disruption involving electronic communications or other services that we, or that third parties we do business with, use or affecting one of our offices or facilities, may affect our ability to continue to operate our business without interruption. Although we and our affiliates have back-up facilities for our information systems as well as technology and business continuity programs in place, there can be no assurance that these will be sufficient to mitigate the harm that may result from such a disaster or infrastructure disruption.

### ***Performance Based Fee***

As described in Item 5, we charge the Funds and a Client Account a performance-based fee. A performance based fee arrangement may create an incentive for Kore to recommend investments which may be riskier or more speculative than those which

would be recommended under a different fee arrangement. Such fee arrangements also create an incentive to favor higher fee paying accounts over other accounts in the allocation of investment opportunities.

#### *Illiquidity of certain Investments*

We may invest part of our Clients' assets in investments that either lack a readily assessable market value or should be held until the resolution of a special event or circumstance. However, we may not be able to readily dispose of such investments and, in some cases, may be contractually prohibited from disposing of such investments for a specified period of time. A withdrawing Investor with an interest in such an investment will not receive any amount in respect of such interest until the related Special Investment is realized or deemed realized. In addition, we may have difficulty selling illiquid securities and other investments, perhaps causing us to have difficulty in meeting redemptions of Investors.

#### *Use of Leverage*

We leverage investment positions by borrowing funds from securities broker-dealers, banks or others. While leverage presents opportunities for increasing the total return on an investment, it has the effect of potentially increasing losses as well. Accordingly, any event that adversely affects the value of an investment by the Client would likely be magnified to the extent that any of them are leveraged.

#### *Non-Diversification*

In general, we are not subject to limitations on the percentage of assets we may invest in a particular security. Being concentrated in a small number of securities, options or futures, exposes a portfolio to the risk of adverse developments in or affecting a single issuer or industry to a greater extent than if the investments were diversified over a large number of issuers and industries.

#### *Short Selling Increases Risk of Capital Losses*

We will affect short sales. Short selling, or the sale of securities not owned by the Client involves certain additional risks. Such transactions expose the Client to the risk of loss in an amount greater than the initial investment, and such losses can increase rapidly and without an effective limit. There is the risk that the securities borrowed in connection with a short sale would need to be returned to the securities lender on short notice. If such request for return of securities occurs at a time when other short sellers of the subject security are receiving similar requests, a "short squeeze" can occur, wherein Kore might be compelled, at the most disadvantageous time, to replace borrowed securities previously sold short with purchases on the open market, possibly at prices significantly in excess of the proceeds received earlier.

*Non-U.S. Investments*

Investment in non-U.S. issuers or securities principally traded outside the U.S. will likely involve certain special risks due to economic, political and legal developments, including favorable or unfavorable changes in currency exchange rates, exchange control regulations (including currency blockage), expropriation of assets or nationalization, imposition of withholding taxes on dividend or interest payments, and possible difficulty in obtaining and enforcing judgments against non-U.S. entities. Furthermore, issuers of non-U.S. securities are subject to different, often less comprehensive accounting reporting and disclosure requirements than domestic issuers. The securities of some foreign governments and companies and foreign securities markets are less liquid and at times more volatile than comparable U.S. securities and securities markets.

**Item 9: Disciplinary Information**

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We have not been subject to any disciplinary action, whether criminal, civil or administrative (including regulatory) in any jurisdiction. Likewise, no persons involved in the management of the Firm have been subject to any such action.

**Item 10: Other Financial Industry Activities and Affiliations**

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Kore and its employees do not have any relationships or arrangements with other financial services companies that pose material conflicts of interest.

**Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

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Kore recognizes and believes that: (i) high ethical standards are essential for its success and to maintain the confidence of its Clients; (ii) its long term business interests are best served by adherence to the principle that the interests of its Clients come first; and (iii) it has a fiduciary duty to its Clients to act for their benefit. We have a Code of Ethics (the “Code”) adopted pursuant to rule 204A-1 under the Adviser’s Act which requires that all Kore personnel must put the interests of Clients before their own personal interests and must act honestly and fairly in all respects in dealing with Clients.

***Code of Ethics and Personal Trading***

Our Code establishes various procedures with respect to investment transactions in accounts in which employees of Kore or related persons have a beneficial interest or accounts over which an employee has investment discretion. The spirit of the Code is to discourage frequent trading in employee personal accounts.

Among other requirements, employees (and members of their immediate households) must obtain written pre-approval from the CCO for certain personal trades and must



report their personal securities transactions and holdings. Employees must also obtain pre-approval from the CCO before engaging in any outside business activities or private securities transactions. Employees are required to provide the Firm with duplicate copies of all trade confirmations and account statements for all investment accounts.

Kore's Code, including the personal trading policy, is available to Clients and qualified prospective investors upon request.

### ***Participation or Interest in Client Transactions***

Employees and affiliates of the Firm may hold, either directly or through the Funds' general partner, financial interests in the Funds. Additionally, it is possible that Kore employees may personally invest in some of the same investments that are held in Client Accounts, or may own investments that are subsequently purchased for Client Accounts, although this practice is generally discouraged by the Code and the Firm's personal trading policy. In any case, such transactions are required to be pre-approved in order to evaluate any issues resulting from the employee's proposed ownership. Kore may or may not receive any compensation from such investments from employees. Employees and/or affiliates of Kore may invest in the Funds. To the extent that they do so, they are deemed to have a direct interest in the success of the Fund's investment strategy

## **Item 12: Brokerage Practices**

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### ***Best Execution***

We have a fiduciary duty to use reasonable efforts to obtain best execution of securities transactions for our Clients. This means that in selecting broker-dealers to execute transactions, we must attempt to ensure that the total cost or proceeds of any transaction is the most favorable under the circumstances. However, we do not need to necessarily solicit competitive bids on each transaction and may not have an obligation to seek the lowest possible cost. In determining best execution, we may take into account the full range and quality of a broker-dealer's services. The factors to be considered in selecting and approving broker-dealers include, but are not limited to, overall costs of a trade (*i.e.*, net price paid or received); quality of execution; reputation, financial strength and stability; block trading and block positioning capabilities; willingness and ability to commit capital; access to underwritten offerings and secondary markets; ongoing reliability; and confidentiality of trading activity.

The use of a broker can provide anonymity in connection with a transaction. In addition, a broker may, in certain cases, have greater expertise or greater capability in connection with both accessing the market and executing a transaction. Subject to the considerations described above, the selection of a broker (including a prime broker) to execute transactions, provide financing and securities on loan, hold cash and short balances and provide other services may be influenced by, among other things, the provision by the broker of the following: consulting with respect to technology, operations and equipment, commitment of capital, access to company management

and access to deal flow. Generally, Kore does not separately compensate any broker for any of these services.

We periodically review our relationships with broker-dealers and the effectiveness of our efforts to obtain best price and execution.

### ***Trade Aggregation***

Kore will generally execute Client transactions on an aggregated or batch basis when it believes that aggregation will enable it to negotiate more favourable commission rates or other transaction costs. If aggregation of trading is not utilized or available in such situations, we are required to disclose to Clients that it will not aggregate transactions and the fact that Clients may pay higher commissions or mark-ups as a result.

To obtain best execution, we usually make a single purchase and then allocate the purchased securities among the Clients according to the factors listed below (i.e. each Client's availability of capital, risk tolerance and particular strategy).

### ***Modification of Pro Rata Allocations***

We attempt to allocate trades on a *pro rata* basis, but must consider the factors listed below for each Client prior to making a trade. In analyzing the factors below, there are certain situations when trades will not be allocated in a *pro rata* manner:

- Availability of capital;
- Client objectives;
- Client specific needs;
- Particular strategy;
- Need to bring a Client to desired exposure level (provided that the portfolio manager, in coordination with the trading desk, takes reasonable steps to ensure that the allocation is primarily used to attain similar exposure levels and that after this has occurred, the remainder of the trade is allocated *pro rata* among the other accounts participating in the aggregated trade);
- Risk tolerance; and
- De minimis exception.

### ***Soft Dollars***

While Kore currently has no soft dollar arrangements, it may use "soft dollars" generated through brokerage transactions for research, brokerage and research-related

products and services. Such use would fall within the safe harbor provided under Section 28(e) of the Securities Exchange Act of 1934, as amended.

### **Item 13: Review of Accounts**

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Kore's Chief Investment Officer and Portfolio Managers are primarily responsible for ensuring that the securities and other financial instruments held by each Client are consistent with the Fund's investment objectives or the Managed Account's investment advisory agreement. Kore's Chief Investment Officer and Portfolio Managers engage in active management on behalf of our Clients and, accordingly, review transactions and Client accounts on a daily basis.

Fund investors will receive annual audited financial statements for the Fund(s) in which they are invested within 120 days of such Fund's fiscal year end. Fund investors also receive periodic unaudited performance information on monthly basis. Managed Accounts receive reports as agreed upon in the pertinent investment advisory agreement.

### **Item 14: Client Referrals and Other Compensation**

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We do not currently utilize any third party marketers or solicitors.

### **Item 15: Custody**

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As a result of Mr. Kosinski's control of the general partner of the Domestic Feeder Fund and his influence over the management of the Master Fund, we are deemed to have custody of the assets in the Funds under Rule 206(4)-2 of the Advisers Act. In compliance with such rule, we assure that the assets of the Funds are held at qualified custodians, as defined in the rule, and that investors in the Funds receive audited financial statements within 120 days of the end of the Fund's fiscal year, we do not have or accept custody of the Managed Account assets.

We do not provide custodial services to our Clients, the Funds or the Investors in the Funds. Client and Investor assets are held with broker-dealers or banks that are deemed "qualified custodians."

**Item 16: Investment Discretion**

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We generally have discretionary authority to determine, without obtaining specific Client consent, securities to be bought or sold, the amount of securities to be bought or sold, broker-dealer to be used and the commission rates paid. Any limitation on authority is included in the Client's investment management agreement, or governing documents, as applicable.

**Item 17: Voting Client Securities**

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While we infrequently receive proxies to vote due to the nature of the investment instruments that we typically trade, we have established proxy voting policies and procedures designed to ensure that proxies are voted in the best interest of our Clients. We will analyze proxies on a case-by-case basis. We do not solicit or accept voting recommendations from our Clients. Clients and investors may request a copy of our proxy voting policies and procedures, as well as applicable proxy voting records.

**Item 18: Financial Information**

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We are not required to provide a balance sheet in response to this item and are not subject to any financial condition that is reasonably likely to impair our ability to meet our financial obligations to our Clients.