

## **Part 2A of Form ADV: *Firm Brochure***

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**This brochure provides information about the qualifications and business practices of Sivik Global Healthcare LLC, (the “Adviser”), an investment adviser registered with the United States Securities and Exchange Commission (the “SEC”). If you have any questions about the contents of this brochure, please contact us at (203)-769-8600 or [jcurran@sivik.com](mailto:jcurran@sivik.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Registration with the U.S. Securities and Exchange Commission, or any state, as an investment adviser does not imply any level of skill or training.**

**Additional information about is Sivik Global Healthcare LLC available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. The CRD number for the Advisor is 168918.**

## **Item 2. Summary of Material Changes**

This Brochure is our Disclosure Brochure prepared according to the SEC's current requirements and rules.

We may further provide other ongoing disclosure information about material changes as necessary.

*As of the date of this Firm Brochure, there are the following material changes to disclose since our most recent Form 2A filing in June 2014.*

In October of 2014, Sivik Global Healthcare, LLC moved offices to:

380 Greenwich Avenue, 2<sup>nd</sup> Floor  
Greenwich, CT 06830

**Also in June 2014, Sivik Global Healthcare, LLC filed to transition from a SEC Exempt Reporting Adviser, which is a limited regulatory registration, to a full SEC investment adviser registration under the Investment Advisers Act of 1940. Sivik Global Healthcare was notified that its registration with the SEC was approved on June 20<sup>th</sup>, 2014.**

**In July 2014, our auditors Rothstein Kass were acquired by KPMG. We have agreed to the assignment of our existing agreements with Rothstein Kass to KPMG.**

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#### **Item 4. Advisory Business**

Sivik Global Healthcare LLC (“Sivik” or “Firm” or “Adviser”) is an investment management firm with its principal place of business in Greenwich, CT. The firm has been in business since 2013 and a SEC Exempt Reporting Adviser since 2013. In June 2014, Sivik applied to become a registered adviser with the U.S. Securities and Exchange Commission under the Investment Advisers Act of 1940 which was approved on June 20, 2014. Sivik is owned and managed by Krishen Sud as Managing Member.

Currently, Sivik manages approximately \$250 million in regulatory assets as of September 31, 2014.

#### **Investment Management Services**

Sivik is the investment manager for the following:

##### ***Private Investment Funds***

- Sivik Healthcare Partners, L.P. (“Onshore Fund”), a limited partnership formed under the laws of the State of Delaware; and
- Sivik Healthcare Offshore Fund, LTD (“Offshore Fund”), an exempted company formed under the laws of the Cayman Islands.

The Sivik Private Investment Funds are collectively referred to as the “Sivik Funds” or “Advisory Client” in this Firm Brochure.

The Partnerships are privately offered only to “qualified purchasers”, as defined in the Investment Company Act of 1940 (the “1940 Act”) and certain Knowledgeable Employees as defined in Rule 3c-5 of the 1940 Act. All investors in the Partnerships must also be “accredited investors” as defined in the Securities Act of 1933.

#### ***Sivik Funds***

The following summaries describe each of the Sivik Funds.

##### **Onshore Fund**

The Onshore Fund was launched in July 2001. In July 2013 management was transferred to Sivik and the fund was re-named Sivik Healthcare Partners, L.P. and was formerly Traxis-Sivik Healthcare Onshore Fund, LP. The Onshore Fund’s investment objective is to achieve consistent and high positive returns through investments primarily in equity securities as well as other equity-related instruments (including, but not limited to, convertible securities and options) of healthcare companies globally. The Onshore Fund

invests in all major sectors of the healthcare industry, including pharmaceuticals, biotechnology, medical devices and healthcare services.

#### Offshore Fund

The Offshore fund was launched in July 2001. In July 2013 management was transferred to Sivik and the fund was re-named Sivik Healthcare Offshore Fund, LTD and was formerly Traxis-Sivik Healthcare Offshore Fund, LTD. The Offshore Fund's investment objective is to achieve consistent and high positive returns through investments primarily in equity securities as well as other equity-related instruments (including, but not limited to, convertible securities and options) of healthcare companies globally. The Offshore invests in all major sectors of the healthcare industry, including pharmaceuticals, biotechnology, medical devices and healthcare services.

The Sivik Funds, currently do not have a master fund established, and the Onshore and Offshore funds each have the same investment objectives and generally invest *pari passu*.

Prior to investing in either of the Sivik Funds, investors receive a confidential private placement offering memorandum, which contains a more detailed description of the types of investments Sivik may cause these funds to invest in and the corresponding risks associated with those investments, fees, service providers, conflicts, tax considerations, trading and other information.

The Adviser has full discretion over all investment decisions and each Sivik Fund is managed consistent with each fund's investment objectives, guidelines and restrictions, if any, summarized in each Sivik Fund's Offering Documents..

### **Item 5. Fees and Compensation**

#### Onshore Fund

Sivik is paid an annual management fee earned for providing investment management services to the fund (the "Management Fee"). The Management Fee is payable quarterly in advance, for investment management and related services provided to the fund. Specifically, the total amount of the Management Fee is calculated with respect to each Limited Partner will be calculated at an annual rate of 1.5% (0.375% per quarter) of the value of such Limited Partner's Capital Account balance, except that capital contributions made by Partners prior to April 1, 2008 are subject to a management fee at an annual rate of 1% per annum (0.25% per quarter). The Management Fee may be lowered or waived for certain investors of the funds, which include but are not limited to, significant investors and employees of Sivik or its affiliates.

Affiliates of Sivik are entitled to receive performance allocations equal to 20% of any net profits (subject to a high-water mark) allocable to each investor in the fund (the

“Performance Allocation”). For purposes of calculating the Performance Allocation, the amount of net profits shall appropriately take into account any fees or expenses (including the Management Fee) paid by the funds’ investors.

Any Performance Allocation received will conform to the requirements of Section 205 of the Investment Advisers Act of 1940 (the “Advisers Act”) and Rule 205-3 under the Advisers Act. The Performance Allocation may be lowered or waived for certain investors of the fund, which include but are not limited to, significant investors and employees of Sivik or its affiliates. The Performance Allocation is payable in arrears at the end of each Investment Period, defined as, with respect to an investor’s interest, the period that will close upon the occurrence of either (a) the last business day of each fiscal year; (b) the date immediately prior to the effective date of any investor’s withdrawal of all or a portion of its interest, or (c) the date of the partnership’s dissolution.

### Offshore Fund

Sivik is paid an annual management fee earned for providing investment management services to the fund (the “Management Fee”). The Management Fee is payable quarterly in advance, for investment management and related services provided to the fund. Specifically, the total amount of the Management Fee is at an annual rate of 1.5% (0.375% per quarter) of the net asset value of each Sub-Class 2 Shareholder’s outstanding Sub-Class 2 Shares as of the first Business Day of each quarter. The Fund will pay the Investment Manager a management fee for Sub-Class 1 Shares at an annual rate of 1.25% per annum (0.3125% per quarter) of the net asset value of each Sub-Class 1 Shareholder’s outstanding Sub-Class 1 Shares as of the first Business Day of each quarter). The actual fee paid by a redeeming investor will be proportional to the actual time the investment was held by the Adviser in a discretionary capacity. For example, in the case of an investor redeeming one month prior to the end of a calendar quarter, they would be charged two months of management fees. The Management Fee may be lowered or waived for certain investors of the funds, which include but are not limited to, significant investors and employees of Sivik or its affiliates.

Sivik is entitled to receive performance fee equal to 20% of any net profits (subject to a high-water mark) allocable to each class of shares in the fund (the “Performance Fee”). For purposes of calculating the Performance Fee, the amount of net profits shall appropriately take into account any fees or expenses (including the Management Fee) paid by the funds’ investors.

Any Performance Fee received will conform to the requirements of Section 205 of the Advisers Act and Rule 205-3 under the Advisers Act. The Performance Fee may be lowered or waived for certain investors of the fund, which include but are not limited to, significant investors and employees of Sivik or its affiliates. The Performance Fee is payable in arrears at the end of each Investment Period, defined as, with respect to an investor’s interest, the period that will close upon the occurrence of either (a) the last business day of each fiscal year; (b) the date immediately prior to the effective date of

any investor's withdrawal of all or a portion of its interest, or (c) the date of the partnership's dissolution.

## **Additional Information**

### **Investors**

Investors who wish to participate in the Sivik Funds are generally required to invest an initial minimum amount of \$500,000. Additional subscriptions by existing investors will be accepted in minimum amounts of \$100,000. The minimum initial and additional investments may be reduced by the funds, or its general partner (if applicable), with respect to certain investors or classes of investors. Investors will be required to certify that the interest in the fund subscribed for is being acquired directly or indirectly for the account of an "accredited investor" as defined in Regulation D under the Securities Act of 1933 and a "qualified purchaser" as defined in section 2(a)(51) of the 1940 Act.

**Modification of Fees for Certain Investors:** The management fees, the performance allocations or performance fee payable with respect to investor interests owned by investors who are principals or "knowledgeable employees" of Sivik or its affiliates, members of the immediate families of such persons, significant investors may be waived, reduced, or calculated differently than the management fee, performance allocation or performance fee payable by other investors with the same investor interests.

**Side Letters:** The Firm reserves the right to waive or impose different fees or otherwise modify the fee arrangements, transparency, liquidity or terms of the offering of an existing Investor with the consent of such Investor.

As noted above, Sivik fees may be negotiable in certain circumstances. More specifically, Sivik may enter into "side letters" with certain investors that lower or waive a fund's management fee, incentive fees or incentive allocations. The side letters also may provide certain investors with more favorable liquidity terms, as well as more frequent and detailed reporting of the securities and other financial instruments held by a fund.

**Custodian; Direct Debiting of Fees:** The funds assets shall be maintained by one or more qualified custodians (referred to collectively as the "Custodian"), in accounts in the name of the funds (or in the name of Sivik, as agent or trustee of the Fund), as required under SEC Rule 206(4)-2. The Custodian is authorized to pay the management fees, performance allocations, and performance fee upon receipt of a Sivik invoice, without further inquiry and without prior notice to or consent of any investor. All account assets, transactions, and fees will be shown on the monthly account statements provided by the Custodian to the funds.

**Termination of Advisory Relationship:** The investment management agreements for the Funds are generally terminable by either party upon notice to the other party. Upon

termination of any investment management agreement, any prepaid, unearned fees will be promptly refunded.

Withdrawals from a Fund: Investors in each fund are directed to the applicable Offering Documents for information regarding withdrawals of their investment. Typically, Sivik requires prior written notice for withdrawal of all or a portion of an investor's investment. Withdrawals are permitted only on or after a specific date (sometimes referred to as the Redemption Date in the Offering Documents) and on the anniversary of each Redemption Date. Withdrawals may be subject to investors maintaining a capital account retention amount, which requirement may be waived or reduced by the General Partner or the Firm.

Expenses: In consideration for the management fee, Sivik provides to the funds office space, utilities, news, quotation, and computer equipment and services, and secretarial, clerical and other personnel. Each fund bears its own expenses, as described in the Offering Documents.

Mutual Fund / ETF Fees and Expenses: It is anticipated that money market funds and exchange-traded funds (ETFs) will be typically included as investments within the Sivik Funds. It is expected that money market mutual funds may be used to 'sweep' unused cash balances until they can be appropriately invested, and from time to time, clients should recognize that all fees paid to Sivik for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds or ETFs to their shareholders. These fees and expenses are described in each mutual fund's or ETF's prospectus or summary disclosure.

These fees will generally include a management fee, other fund expenses, and a possible distribution fee. Additionally, mutual funds may impose a contingent deferred sales charge (CDSC) or redemption fee if shares are redeemed within a short time period, usually within 30, 60 or 90 days from the date of purchase. The CDSC or redemption fee is generally one percent.

An Investor could invest in mutual funds or ETFs directly, without the services of Sivik. In that case, the Investor would not receive the services provided by Sivik, which are designed, among other things, to identify mutual funds or ETFs, which are more appropriate in light of the Sivik Fund's objectives, needs, and circumstances. Accordingly, investors and clients should review the fees charged by the funds and ETFs in which Sivik Funds invests in evaluating the costs of the services being provided.

Advisory Fees Generally: Similar advisory services may (or may not) be available from other investment advisers for similar or lower fees.

Valuation of Investments: The market value of investments held by the Sivik Funds is determined as provided in each funds' Offering Documents. Market value is generally determined by the general partner or board of directors of each Sivik Fund. Sivik and the Sivik Funds have adopted detailed procedures relating to the valuation of their



investments, and investors and prospective investors should review the relevant Offering Documents for complete information. The general partner or board of directors of each Sivik Fund has overall responsibility for the valuation of assets; however, the general partner or board of directors has delegated its responsibilities related to the calculation of net asset value and the pricing of Sivik Fund assets to an administrator.

Generally, equity and ETF securities that are listed on a securities exchange (including such securities when traded in the after-hours market) will be valued at their last sales prices on the date of determination on the primary securities exchange on which such securities will have traded on such date, or if trading in such securities on the primary securities exchange on which such securities shall have traded on such date was reported on the consolidated tape, their last sales prices on the consolidated tape (or, in the event that the date of determination is not a date upon which a securities exchange was open for trading, on the last prior date on which such securities exchange was so open).

Equity securities that are not listed on an exchange but are traded over-the-counter will generally be valued at last trade, if applicable, or mid-market unless included in the NASDAQ National Market System, in which case they will be valued based upon their last sales prices (if such prices are available). Securities not denominated in U.S. dollars will be translated into U.S. dollars at prevailing exchange rates as the administrator, general partner or board of directors may reasonably determine.

Securities that are not listed on an exchange, are not traded over-the-counter and for which external pricing sources are not readily available shall be valued by the administrator, general partner or board of directors at fair value based on a relative value assessment process that incorporates current market conditions and capital structures of other securities where data is more readily available or other information that the administrator, general partner or board of directors deems appropriate.

Securities for which no such market prices are available (including without limitation, Special Investments) will be carried on the books of the Fund at fair value (which may be cost or other amount) as determined by the administrator, general partner or board of directors.

If the general partner or board of directors determines that the valuation of any investment pursuant to the valuation procedures set forth above does not fairly represent market value, the general partner or board of directors will value such investment as it determines in its discretion and will set forth the basis of such valuation in writing in the Funds records.

Personal Investments in Funds: Certain executive officers and/or other employees of Sivik have invested or may invest a portion of their personal net worth in one or more of the Funds.

Different Fee Schedules: Sivik, and any affiliate's fees, including any performance fee, may be discounted or waived with respect to any investor for any particular period of

time at the sole discretion of Sivik or any general partner, as applicable. This discounted rate or waiver is not available to all or even most investors in the Funds.

General: Prospective investors should refer to the appropriate offering and organizational documents for additional important information, terms, conditions and risks involved with investing in the Funds.

## **Item 6. Performance-Based Fees and Side-By-Side Management**

### *Performance Based Fees*

With respect to any fund, all incentive fees and profit reallocations described above are based on the net realized and unrealized gains, income and appreciation of the respective account over a twelve-month period. In general, pursuant to the loss carry forward provision, if the account value depreciates in any such period, no incentive fee or profit reallocation may be earned or made in subsequent periods unless and until the account is restored to its former value (less the advisory fees previously paid and adjusting for new deposits into and withdrawals from the account). All incentive fees and profit reallocations are charged in compliance with all applicable requirements of Section 205(b) of the Investment Advisers Act of 1940, as amended, and Rule 205-3 promulgated by the Securities and Exchange Commission.

Clients should be aware that performance fee arrangements may create an incentive for an investment adviser to make investments that are more speculative than would otherwise be the case in the absence of a performance fee and that, under Sivik performance fee arrangements, the adviser may receive increased compensation with respect to unrealized appreciation as well as actual, realized capital gains.

Clients should also be aware that investment management fees lower than those offered by Sivik may be available from other sources.

Since we endeavor at all times to put the interests of our clients first as part of our fiduciary duty as a registered investment adviser, we take the following steps to address these conflicts:

1. We disclose to investors and prospective clients the existence of material conflicts of interest, including the potential for our firm and its employees to earn more compensation from some clients than others;
2. We collect, maintain and document accurate, complete and relevant investor background information to ensure that investment in the subscribed fund is appropriate for the investor's financial goals, objectives and risk tolerance and that the investor is qualified to invest;
3. We have implemented policies and procedures for fair and consistent allocation of investment opportunities among all funds, subject to the fund's/client's underlying strategy, cash availability, availability of interests in the underlying funds and other appropriate considerations;

4. We periodically compare holdings and performance of all accounts with similar strategies to identify significant performance disparities indicative of possible favorable treatment;
5. We educate our employees regarding the responsibilities of a fiduciary, including the equitable treatment of all clients, regardless of the fee arrangement.

Performance-based fees will only be charged in accordance with the provisions of Rule 205-3 of the Investment Advisers Act of 1940 and/or applicable state regulations.

### *Side-by-Side Management*

Side-by-side management refers to multiple client relationships where an adviser manages advisory client relationships for various clients including individual and institutional accounts, mutual funds and private investment funds on a simultaneous basis with different fee schedules or objectives. Currently, Sivik only manages the two Sivik Funds and seeks to avoid potential and actual conflicts of interest between the Sivik Funds as they have the same investment objectives and generally invest *pari passu*. These areas are monitored by Sivik's Chief Compliance Officer.

### **Item 7. Types of Clients**

Sivik currently only provides investment advice to the two Sivik Funds. Investors in the Sivik Funds advised by Sivik may include: individuals, pension and profit sharing plans, trusts, estates, charitable organizations and corporations or other business entities other than those listed above. Investors who wish to participate in the Sivik Funds are generally required to invest an initial minimum amount of \$500,000. If the account size falls below the minimum requirement due to market fluctuations only, a client will not be required to invest additional funds with Sivik to meet the minimum account size.

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

The Sivik Funds investment strategies are rooted in a rigorous bottom up research process which is designed to identify mispriced securities in the healthcare sector with a focus on investment ideas with an investment horizon of 6-18 months. As part of the investment process, Sivik meets with the management of various companies, speaks with physicians, hires consultants, as well as attends various medical and regulatory meetings. In addition to leveraging proprietary research capabilities, expertise and an extensive information network designed to identify less-crowded opportunities the investment manager utilizes active risk management focused on diversification, market exposure, and liquidity. The investment manager will limit exposure to any individual stock to 7% and limit aggregate exposure to biotechnology to 25% of the net asset value of the portfolio. In order to generate incremental returns, Sivik will trade around its core positions. Additionally, macro-economic factors such as incremental changes in a country's growth rates, and the corresponding effects on corporate earnings, credit default rates and inflation are utilized to guide overall exposure levels.

Sivik manages the portfolio to be tax efficient when possible, but other factors, such as market forces, may dictate otherwise. The Sivik Funds will attempt to maximize after tax returns for its U.S. based investors by relieving appropriate tax lots and by realizing long term capital gains whenever possible and when it wouldn't be a detriment to non-U.S. investors.

### ***Investment Strategies***

**Idea Generation:** The largest value creation in healthcare tends to be at pharmaceutical, biotechnology and medical device companies with significant intellectual property that have the opportunity to change the current treatment paradigm or to treat illnesses that cannot be treated adequately. Sivik seeks to evaluate products in the pipelines of these companies with a view to determining whether market expectations of potential revenues are too high or too low. Another important factor influencing the healthcare sector is the implementation of the Patient Protection and Affordable Care Act ("ACA"). Sivik will look for investment opportunities based on ACA implementation. Another factor in determining the attractiveness of an investment position is valuation relative to other companies in the sector as well as the attractiveness of the healthcare sector relative to the overall market.

Positions may include a combination of equity and equity-related securities (including convertible securities and options), fixed income securities (both corporate and governmental), exchange traded funds and other financial instruments. The Sivik Funds may engage in currency hedging in connection with its non-U.S. positions. The Sivik Funds may also invest in securities which are not publicly traded, but which Sivik expects to be registered for sale to the public or otherwise available for resale. These securities will typically be those of "late stage" private companies and will generally comprise less than 10% of the Partnership's assets (measured at the time of each purchase).

Other than as stated above, Sivik is not limited with respect to the types of investment strategies it may employ or geographic regions in which it may invest. The Sivik Funds may utilize leverage and borrow or lend securities through repurchase and reverse repurchase transactions or use over-the-counter derivative instruments or securities or baskets of securities as part of its investment program. Over time, healthcare markets change and Sivik will seek to capitalize on attractive opportunities wherever they might be. Derivative instruments may be used both as independent profit opportunities and to hedge existing long and short positions. These positions permit the Sivik Funds to take an opportunistic approach to investing, especially in volatile markets. Sivik's investment program emphasizes active management of the portfolio; provided, however, that Sivik may invest in investment funds from time to time.

Sivik intends to invest in companies with various market capitalizations (i.e., small, medium, large and mega capitalizations), though it generally invests in companies

with market capitalizations of over \$250 million. Investments in smaller or lesser known companies can involve greater risks than large well-known companies with greater market liquidity. Sivik has not established standards for diversification of investments. Portfolio holdings may be concentrated in those companies which, in light of investment considerations, market risks and other factors, Sivik believes provide an opportunity for the maximum potential capital appreciation.

As discussed above, when deemed appropriate by Sivik, the Sivik Funds may utilize leverage in its investment program through the purchase of securities on margin, short sales or otherwise. The use of leverage enables the Sivik Funds to increase its buying power and take advantage of a greater number of undervalued situations than would be the case if leverage were not used. The use of leverage has certain attendant risks more fully explained in the offering documents. Unlike many conventionally managed portfolios, the Sivik Funds may sell securities short, purchase puts and write uncovered calls in order to capitalize on perceived opportunities relating to securities which Sivik believes to be improperly priced by the market. Sivik views the use of such techniques as independent profit opportunities for the Sivik Funds and an integral part of its investment program. Further, short sales and options may be used to serve as a degree of protection for the Sivik Funds' long positions in a declining market. The Sivik Funds may also use futures and forward contracts involving financial instruments and options thereon.

Risks in General: Securities investments are not guaranteed and clients and investors may lose money on your investments.

#### **Item 9. Disciplinary Information**

Our firm and its principals have no reportable disciplinary, regulatory or legal events to disclose.

#### **Item 10. Other Financial Industry Activities and Affiliations**

Sivik is affiliated with Sivik Global Partners, LLC, the entity which acts as the General Partner to the Onshore Fund managed by Sivik.

The Sivik professionals devote substantially all their efforts and time to the activities of Sivik, the Sivik Funds, currently the only Sivik clients.

#### **Item 11. Code of Ethics, Participation in Client Transactions and Personal Trading**

Sivik has adopted a Code of Ethics, which sets the highest standards of ethical conduct for all Sivik professionals with a primary principle of always placing clients' interests first and avoiding or disclosing any actual or potential conflicts of interests.

Our firm's Code of Ethics also requires compliance with applicable federal securities laws. Our Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the firm's access persons.

Among other things, our Code of Ethics restricts employees and managing members of the Firm from investing in healthcare companies; provided however that broad based baskets of healthcare stocks (e.g. XLV, IBB) are acceptable as personal investments. The Code of Ethics provides for oversight, enforcement and recordkeeping. Further, the Code of Ethics includes the firm's Insider Trading Policy which prohibits the misuse of material nonpublic information, i.e., inside information.

As disclosed at Item 5 of this brochure, certain executive officers and/or other employees of the Firm have invested or may invest a portion of their personal net worth in one or more of the Sivik Funds.

It is the expressed policy of our Firm that no person employed by us may appropriate an investment opportunity which may be appropriate for the Sivik Funds without prior review and approval, particularly when there is limited availability for participation in the opportunity.

As these situations represent a conflict of interest, we have established the following additional restrictions in order to ensure its fiduciary responsibilities:

1. No officer or employee of our firm may prefer his or her own interest to that of an advisory client.
2. We maintain records of securities holdings and transactions for our firm and anyone associated with this advisory practice with access to advisory recommendations. These holdings are reviewed on a regular basis by the Chief Compliance Officer.
3. All of our principals and employees must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
4. Any individual not in observance of the above may be subject to disciplinary action up to and including termination.

## **Item 12. Brokerage Practices**

### ***Selection of Broker-Dealers***

Sivik is responsible for the placement of the portfolio transactions of the Sivik Funds and the negotiation of any commissions or spreads paid on such transactions. Portfolio

securities normally will be purchased through brokers on securities exchanges or directly from the issuer or from an underwriter or market maker for the securities. Purchases of portfolio instruments through broker-dealers involve a commission to the broker-dealers. Purchases of portfolio securities from broker-dealers serving as market makers include the spread between the bid and the asked price. Securities transactions will be executed by broker-dealers selected by Sivik in its sole discretion. In appointing additional prime brokers or broker-dealers, Sivik may select such broker-dealers on the basis of a variety of factors, including the following: the ability to effect prompt and reliable executions at favorable prices; the operational efficiency with which transactions are effected; the financial strength, integrity and stability of the broker; the quality, the competitiveness and frequency of available research services considered to be of value; and the competitiveness of commission rates in comparison with other brokers satisfying Sivik's other selection criteria.

### ***Research and Brokerage / Soft Dollar Practices***

In addition, Sivik may execute trades with broker-dealers with whom the Sivik Funds have other business relationships, including prime brokerage, credit relationships and capital introduction relationships. Sivik is authorized to pay higher prices for the purchase of securities from or accept lower prices for the sale of securities to brokerage firms that provide it with investment and research information or to pay higher commissions to such firms if Sivik determines such prices or commissions are reasonable in relation to the overall services provided. A portion of the commissions generated on the Sivik Funds' brokerage transactions may generate "soft dollar" credits that Sivik will be authorized to use to pay for research or brokerage services used by Sivik consistent with the "safe harbor" provisions of Section 28(e) of the U.S. Securities Exchange Act of 1934, as amended (the "1934 Act").

Research services furnished by broker-dealers may include written information and analyses concerning specific securities, companies or sectors; market, financial and economic studies and forecasts; statistics and pricing or appraisal services, as well as discussion with research personnel. Brokerage services within Section 28(e) may include, but are not limited to, services related to the execution, clearing and settlement of securities transactions and functions incidental thereto (i.e., connectivity services between an investment manager and a broker-dealer and other relevant parties such as custodians); trading software operated by a broker-dealer to route orders; software that provides trade analytics and trading strategies; software used to transmit orders; clearance and settlement in connection with a trade; electronic communication of allocation instructions; routing settlement instructions; post trade matching of trade information; and services required by the SEC or a self regulatory organization such as comparison services, electronic confirms or trade affirmations.

In certain cases, Sivik may deem research or brokerage services provided by or through the broker-dealer to be an important consideration when executing a trade. Subject to Section 28(e) of the 1934 Act, Sivik may cause the Sivik Funds to pay higher

commissions than would be obtainable for execution by other broker-dealers where such research or brokerage service is not obtainable in recognition of the value of the useful information or service provided by such brokerage firms. In paying the higher commissions, Sivik will make a good faith determination that the higher commission is reasonable in relation to the value of the research and brokerage services provided.

### ***Aggregation of Transactions***

Sivik may from time-to-time aggregate transactions across its Sivik Funds, where Sivik executes orders directly. Where Sivik executes orders directly for its advisory clients, Sivik has implemented a process to enter client orders received contemporaneously by the Trading Desk on a concurrent, rotational or other basis for fairness to its advisory clients. In addition, no personal transactions for any Sivik employees are ever aggregated with Sivik client transactions.

### ***Allocation of Investments***

Sivik's policy is to treat clients fairly and equitably. Therefore, Sivik seeks to allocate investment opportunities and transactions on a fair and equitable basis over time for all advisory clients and to not favor one client over another. When allocating orders completed contemporaneously Sivik will allocate on a pro rata basis, based on account size, using an average price methodology, or other equitable methodology.

### ***Initial Public Offerings***

From time to time as permitted by applicable Sivik Funds documents, Sivik may purchase securities that are part of an initial public offering ("IPOs") or new issues in accordance with applicable Financial Industry Regulatory Authority ("FINRA") rules. FINRA rules prohibit certain "Restricted Persons" from participating in IPOs or new issues. Therefore, the profits and losses from IPOs or new issues will generally be allocated to Investors in the Sivik Funds that are not Restricted Persons. Nevertheless, Sivik may avail itself of a "de minimis" exemption pursuant to which a portion of any new issue profits and losses may be allocated to Restricted Persons.

Accordingly, the rate-of-return experienced by investors who participate fully in the profits and losses from IPOs or new issues may differ materially from that of investors who are Restricted Persons. Investors should review the respective offering document(s) of their respective Sivik Fund(s) for complete information on new issues restrictions.

## **Item 13. Review of Accounts**

### ***Portfolio Reviews***

Sivik's investment and risk management process is designed to help ensure, to the extent practicable, that the Sivik Funds will minimize potential losses during market events



when prices, correlations, liquidity, credit spreads and volatility change dramatically. Sivik actively monitors and manages market risk utilizing various tools. The Sivik Funds are provided ongoing and continuous management. Most directly, the Portfolio Manager will frequently monitor various aspects of the portfolio in real time using Bloomberg AIM; a sophisticated portfolio execution and management platform. Additionally, periodic reviews are conducted to determine the proper amount of hedging and exposure to apply to the portfolio.

Krishen Sud, along with respective investment, risk and operations personnel, meet periodically to ensure that the Partnerships are operating under the investment, risk management and operating guidelines outlined in the offering documents of each Fund.

### ***Client Reports***

Sivik and/or its service providers provide investors in the Sivik Funds, written reports regarding each fund's operations and performance. Currently, Sivik provides a year-end audited financial statement for each Sivik Fund, monthly investment letters, year-end tax information and interim communications pertaining to performance and valuation of each investor's account.

Sivik, from time-to-time, communicates with, and answers questions from, prospective and existing investors of the Sivik Funds including providing monthly or more frequent commentary on each fund's performance.

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

Currently there are no placement fee agreements in place although the Sivik Funds may retain placement agents to assist the Sivik Funds in offering and selling interests. Placement agents may charge the investors who purchase interests through them initial and/or ongoing placement agent fees. In addition, Sivik may pay certain placement agents a portion of its management fees and/or the General Partner may pay such placement agents a portion of its incentive allocations with respect to interests sold by such placement agents.

The amount of the initial placement fee, if any, will be added to a prospective investor's subscription amount and paid by the investor and will not be applied towards the interest issued to that investor. The management fees paid by an investor are not increased as a result of any placement agent arrangement. Additional disclosures about the placement agent arrangement are included in the offering documents for the Sivik Funds. The Sivik Funds may retain placement agents in the future.

## **Item 15. Custody**

Because we act as investment adviser and manager to the Sivik Funds and because we may have an affiliated party who acts as general partner to the Onshore Fund, Sivik is deemed to have custody of client assets under current applicable regulatory interpretations. As an adviser with custody, we seek to have each of the Sivik Funds audited on an annual basis by an independent public accountant that is both registered with and subject to regular inspection by the Public Company Accounting Oversight Board (PCAOB). For each Sivik Fund, we seek to send the audited financials to each investor within 120 days of each fund's fiscal year end.

In addition, Sivik is deemed to have "constructive custody" under regulatory guidelines to the extent Sivik Funds authorize Sivik to directly debit the firm's advisory fees from the fund's independent custodian consistent with industry practices and regulatory guidelines.

## **Item 16. Investment Discretion**

As investment manager to the Sivik Funds, Sivik is granted the discretionary authority in the relevant organizational documents and/or investment management agreements to determine which securities and amounts of securities that are bought or sold, the broker-dealers to be used and the commission rates for transactions for the Sivik Funds.

If it appears that a trade error has occurred, the Adviser will review the relevant facts and circumstances to determine an appropriate course of action. To the extent that trade errors and breaches of investment guidelines and restrictions occur, the Adviser's error correction procedure is to ensure that clients are treated fairly. The Adviser has discretion to resolve a particular error in any appropriate manner that is consistent with the above stated policy. In the event that a client account incurs a trade error as a result of the Adviser's gross negligence, willful misconduct, or fraud, trade errors will be corrected by the Adviser as soon as practicable, in a manner such that the client incurs no loss. Trade errors that result other than by breach of the standard of care above are borne by the client account.

## **Item 17. Voting Client Securities & Legal Proceedings**

### ***Proxy Voting***

Sivik has a Proxy Policy (the "Sivik Proxy Policy") which provides for the firm's proxy voting policy and practices and recognizes the firm's duty and responsibility for the voting of client proxies in the best interests of the funds. Sivik generally utilizes the services of Proxy Edge, a "Proxy Voting Service" to record and vote proxies. The full policy is available to clients upon request by contacting the Chief Operation Officer using the contact details on the cover of this brochure.

### ***Legal Proceedings***

Investors should note that Sivik may advise or act on behalf of any Sivik Fund in legal proceedings involving companies whose securities are held or previously were held by a Sivik Fund, including, but not limited to, the filing of "Proofs of Claim" in class action settlements.

### **Item 18. Financial Information**

As a matter of firm policy and practice, our firm will not charge or earn advisory fees in excess of \$1,200 more than six months in advance of the services rendered.

Also, our firm and its principals have no financial events or proceedings to disclose.