

## **OLD BRIDGE CAPITAL MANAGEMENT PRIVATE LIMITED**

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

#### **Item 1.**

Old Bridge Capital Management Private Limited  
101, 103, 110 Keshava, E-Block, Bandra Kurla Complex Bandra (East)  
Mumbai India 400051  
[www.oldbridgecapital.com](http://www.oldbridgecapital.com)  
Attn: Gealgeo Alankara 91-22-62449191

June 06, 2019

This brochure provides information about the qualifications and business practices of Old Bridge Capital Management Private Limited (the “Firm”). If you have any questions about the contents of this brochure, please contact us at 91-22-62449191 or [alankara@oldbridgecapital.com](mailto:alankara@oldbridgecapital.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.

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

Registration does not imply a certain level of skill or training.

**Item 2.**

Our first brochure was prepared on January 14, 2019 in accordance with the SEC's requirements and rules.

This brochure is annual amendment to the first brochure and below mentioned are the material changes that were made;

- 1) We have updated the disclosure in item 4 to reflect the fact that, our "Asset Under Management" as of March 31, 2019 was US \$ 464,566,010.
- 2) We have updated the disclosure in item 4 to reflect the fact that, NRI Vantage Equity Fund – scheme of the Trust has declared its final closing and hence closed for further subscription.

### **Item 3.**

## **Table of Contents**

### **Page**

## **Contents**

OLD BRIDGE CAPITAL MANAGEMENT PRIVATE LIMITED .....	1
Item 2.....	2
Our first brochure was prepared on January 14, 2019 in accordance with the SEC's requirements and rules. ....	2
Item 3.....	3
Item 4. Advisory Business .....	1
Item 5. Fees and Compensation.....	2
Item 6. Performance-Based Fees and Side-By-Side Management.....	3
Item 7. Types of Clients .....	4
Item 8. Method of Analysis, Investment Strategies and Risk of Loss .....	4
Item 9. Disciplinary Information .....	8
Item 10. Other Financial Industry Activities and Affiliates.....	8
Item 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....	9
Item 12. Brokerage Practices .....	9
Item 13. Review of Accounts.....	11
Item 14. Client Referrals and Other Compensation .....	11
Item 15. Custody.....	12
Item 16. Investment Discretion.....	12
Item 17. Voting Client Securities .....	12
Item 18. Financial Information .....	13

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

A. Old Bridge Capital Management Private Limited (the “Firm”) is a private limited company incorporated in India on December 15, 2015. The majority shareholder of the Firm is Kenneth Andrade (the “Principal”). The Firm is controlled by the Principal.

The Firm is registered with The Securities and Exchange Board of India (“SEBI”) as a Portfolio Manager vide registration no. INP000005174 dated June 22, 2016. In addition, the Firm has been approved by SEBI to act as an Investment Manager to Old Bridge Capital AIF (the “Trust”), which is an alternative investment fund established in India as a trust under the Indian Trusts Act 1882 and is registered as Category III Alternative Investment Fund under the Securities and Exchange Board of India (Alternative Investment Funds Regulations, 2012).

The Firm advises primarily on listed Indian equity securities.

B. As a portfolio manager, the Firm provides discretionary and non-discretionary advisory services to certain individuals and entities (collectively, “Separate Clients”). Separate Clients include individuals, high net worth individuals, businesses, third-party investment managers, institutional clients and other entities. Separate Client services will be structured to address the requirements of those clients, and the Firm may either (a) accept discretionary management authority for a Separate Client or (b) offer only non-binding investment recommendations and investment research for a Separate Client. These non-binding recommendations and research may, as instructed by the Separate Client, be provided to another investment manager hired by the Separate Client to consider and effect non-discretionary advice provided by the Firm. Provision of non-discretionary research service to a third-party investment manager may create certain conflicts of interest, since the Firm also provides discretionary advisory services based on the same research. In order to address these potential conflicts of interest, the following procedure has been implemented:

- For existing ideas, i.e. when the Firm has already taken position for its discretionary clients, the advice provided to non-discretionary clients includes appropriate disclosures with respect to the Firm’s existing positions.
- For new ideas, the delivery of investment recommendations to non-discretionary clients and execution for its discretionary clients are simultaneous.

As an investment manager to the Trust, the Firm currently manages following three schemes of the Trust:

- i. Vantage Equity Fund (“VEF”), a close-ended scheme of the Trust. VEF was established in December, 2017 and offers its units only to Indian investors. VEF has declared its final closing and hence closed for further subscription.
- ii. NRI Vantage Equity Fund (“NRI VEF”), a close – ended scheme of the Trust. NRI VEF was established in January, 2018 and offers its units to Non-Resident Indian and Indian investors. NRI VEF has declared its final closing and hence closed for further subscription.

iii. Micro Strategies Fund (“MSF”), an open – ended scheme of the Trust. MSF was established in May 2018 and offers its units only to non- U.S. investors.

Schemes of the Trust, launched from time to time, including the schemes referred above are hereinafter collectively referred as the “Fund.”

The Firm has discretionary authority over the assets of the Fund. This document is not an offer to sell or a solicitation of offers to buy any units or other securities of the Fund. Full information on the investment strategy, fees, expenses, risks, and potential conflicts of interest of the Fund are set forth in the governing documents of the Fund.

C. The Firm tailors its advisory services to the Fund in accordance with the Fund’s investment objective and strategy as disclosed in the governing documents of the Fund. The Firm tailors its discretionary advisory services that it provides to Separate Clients in accordance with each Separate Client’s individual circumstances, including the tax profile of the client, client goals and risk tolerances, and the needs of the client for, among other things, cash flow and investment stability. Separate Clients may impose restrictions on investing in specified securities or types of securities, as mutually agreed with the Firm.

D. The Firm does not participate in any wrap fee programs.

E. As of March 31, 2019, the Firm manages \$464,566,010 of client (Separate Clients and Fund) assets on a discretionary basis. The Firm does not manage any client assets on a non- discretionary basis; however, the Firm does provide non-discretionary research advice to Separate Clients that it does not manage.

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

A. The Firm receives compensation from its clients based both on the percentage of assets it manages and / or on performance achieved for its clients’ accounts.

Generally, the Firm charges third-party investors in the Fund an asset-based management fee of upto 2.25% per year of the assets that it manages, and, investors in MSF, the higher of i)an asset-based management fee of 2.25% per year of the assets that it manages and ii)a performance fee of up to 20% of profits attributable to those investors every three years over an 8% annual “hurdle rate.”

Generally, the Firm charges discretionary Separate Clients a) an asset-based management fee of 2.25% per year of the assets that it manages or b) the higher of i) an asset-based management fee of 2.25% per year of the assets that it manages and ii) a performance fee of up to 20% of profits attributable to those investors every three years over an 8% annual “hurdle rate.”

In addition, the Firm charges non-discretionary Separate Clients a) a service fee of 2.25% per year of the assets that it advises and b) a research incentive fee of up to 20% of profits attributable to the assets that it advises on every three years over an 8% annual “hurdle rate.”

B. The Firm deducts management fees from Separate Client and Fund accounts monthly and the performance fee every three years, or upon an earlier withdrawal. Separate Clients are sent monthly invoices for the management fee owned by those clients for each month.

C. In addition to the compensation payable to the Firm described above, clients pay their own ongoing direct investment and operating expenses. The list below details some of these expenses, but does not include every possible expense clients may incur.

- Interest on borrowings and guarantees, including expenses for enforcing securities;
- Banking, fund accounting, custody, and currency exchange fees;
- Brokerage commissions and other charges;
- Stamp duties, securities transaction taxes, and other taxes, duties, and governmental charges imposed on transactions;
- Payments due under investment contracts, such as mark-to market payments;
- Certain legal and regulatory expenses;
- Financing, legal and accounting expenses in connection with investments;
- Other expenses including commissions associated with the acquisition of, holding and disposition of investments, including extraordinary expenses (such as litigation, any taxes, fees or other government charges, if any);
- Indemnification obligations, if any; and
- any tax and other liabilities, claims, costs, interest, penalty, losses, damages and expenses (including reasonable attorneys' fees and costs) arising out of or in connection with the client.

The Firm may, but is under no obligation to, bear certain expenses on behalf of its clients from time to time.

D. Clients do not pay any management fees or performance compensation in advance.

E. Neither the Firm nor any of its principals or employees receives any compensation for the sale of securities or other investment products, including charges or fees from the sale of mutual funds.

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

The Firm may be entitled to a performance fee of 20% of profits attributable to investors in MSF and Separate Clients every three years over an 8% annual "hurdle rate." Investors in VEF and NRI VEF will be charged fees, if any, as set forth in Item 5 above. As a result, the Firm is subject to conflicts of interests. For example, the Firm has an incentive to favor clients paying performance

compensation, because the Firm will receive 20% of profits over an 8% annual “hurdle rate,” but will not receive a share of profits for certain other clients. More generally, there is a risk that conflicts of interest will arise, and the Firm will carefully monitor the services that it provides to performance fee paying and non-performance fee paying clients to make sure that the Firm treats all clients fairly.

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

The types of clients to whom the Firm generally provides investment advice are the Fund, as well as Separate Clients that consist of individuals, high net worth individuals, businesses, third-party investment managers, institutional clients and other entities.

The minimum investment for third-party investors in the Fund is INR 10,000,000. The minimum investment for a Separate Client is INR 2,500,000.

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

Firm level investment strategy is given below:

A. The Firm invests in the fastest growing part of the economy/ industries / sub-sectors for its clients and picks businesses that benefit from an increase in size of opportunity, improving visibility and/or better predictability of higher earnings trajectory and cash flows. The Firm aims at identifying improving industry macros early on, to be able to buy into those opportunities at attractive valuations.

The investment strategy of the Firm is to invest in equity and equity-related securities of listed and to be listed Indian companies. The Firm invests in multiple sectors for its clients and can invest across market capitalization.

The Firm may invest in equity derivatives, amongst other things for purposes of hedging and portfolio balancing, as may be permitted under applicable regulations from time to time.

Underlying asset class in which the Firm will invest for its clients will be primarily listed equity and equity related securities. Investment in liquid funds/fixed term papers will be made for liquidity purposes. Clients may invest in the instruments, including but not limited to mutual funds, Indian equity, equity linked securities, money market instruments and in other securities, listed, quoted or traded on any stock exchange or over the counter, or as permitted under applicable law. The Firm uses fundamental and technical factors to identify potential trades for clients.

The key selection criterion for the Firm is the ‘informed’ depth of its understanding of the underlying businesses in which it invests on behalf of its clients. The Firm’s in-house collaborative research effort is responsible for generating, cataloguing, and tracking the majority of the ideas for its clients’ portfolios. The Firm’s methodology involves detailed fundamental research including industry, business, accounting, financial, valuation and management analysis. This analysis is regularly supplemented with meetings, conversation and/or site visits with

management teams.

Additional due diligence may be done by interviewing competitors, suppliers and customers, and/or through the use of an extensive network of specialist consultants.

When the Firm analyses its investment ideas, it also constantly looks for change and its catalyst. The change should lead to either acceleration of earnings growth or realization of value combined with the possibility of change in the valuation yard sticks (perception) applied by the market. A top down overview is especially important while analyzing some of the cyclical and commodity sectors that are linked to domestic and global economy.

While screening and analyzing companies, the key criteria that the Firm looks at are:

- Capital efficient nature of the business
  - Look to identify companies that would migrate upwards from a low RoE
  - The idea is not to predict growth, but to necessarily look for capital employed to be controlled
  - Cash flow positive nature of the business with low gearing are critical elements of this transition
- Monopolistic/Consolidator of the industry
  - Preference for consolidating businesses
  - Identify companies gaining market share with no corresponding change in capital employed
  - Identify companies with the lowest cost in their respective industry
  - Companies need to be profitable in this transition
  - Leadership at the end of consolidating cycle usually end up with higher market share and pricing power
- Low financial leverage
  - Preference for companies with negligible debt
  - Prefer businesses leveraging into an economic up-cycle & deleveraging at the top of the cycle
- Low valuation
  - Look for “out of favour” businesses where current value of the stock reflects its



depressed earnings

- EV/ Sales
- Market Cap/Cash Profit(Flows)

Typically, the Firm is market cap agnostic and looks for opportunities across various market caps and sectors. However, the Firm believes its sweet spot is companies with a market cap between USD 10 mn to USD 2 bn from where some of its best ideas have come in the past. These are typically reasonable sized businesses, many times leaders in their segments where either there is not enough analyst coverage or the Firm's views about the investment are different from street expectations.

Investment strategies for Separate Clients, and scheme specific investment strategies, depend on the investment objectives of those Separate Clients and schemes. Separate Client/ scheme specific investment strategies are defined in the governing documents of those Separate Clients and schemes.

B. Please see below for a detailed explanation of some of the significant risks associated with the investment strategies the Firm employs. This summary does not describe all of the risks associated with an investment in the Fund or a Separate Client or all risks associated with our strategies. Although no summary can fully describe all of these risks, the governing documents of the Fund contain a more complete description of the risks associated with an investment in the Fund.

*Limited Operating History:* The Firm is a recently-formed entity which does not have an extensive operating history for prospective investors to evaluate prior to making an investment managed by the Firm.

*Reliance on Key Person:* The Firm will be substantially dependent on the services its portfolio manager, the Principal. In the event of the death, disability, departure or insolvency of the Principal, the business of the Firm will be adversely affected. The Principal will devote such time and effort as he deems necessary for the management and administration of the Firm's business. However, the Principal may engage in various other business activities in addition to Firm, and consequently may not devote all time to Firm business.

*Investment Judgment and Market Risk:* The success of the Firm's investment programs depends, in large part, on correctly evaluating future price movements of potential investments. The Firm cannot guarantee that it will be able to accurately predict these price movements and that its investment programs will be successful.

*Investment and Trading Risk:* Investments in securities and other financial instruments involve a degree of risk that the entire investment may be lost. Also, changes in the general level of interest rates may negatively affect clients' results.

*Financial Markets and Regulatory Change:* The instability in global financial markets and general rise in stock market levels has increased the risks associated with the investment activities and operations of hedge funds or other investment vehicles, including those resulting from a reduction

in the availability of credit and the increased cost of short-term credit, a decrease in market liquidity and an increased risk of bankruptcy of third parties with which we work. Market disruptions over the recent years and the increase in capital being allocated to hedge funds and other alternative investment vehicles have led to increased scrutiny and regulation over the hedge fund and asset management industry. In addition, the laws and regulations affecting business continue to evolve unpredictably. Laws and regulations applicable to the Firm's clients, especially those involving taxation, investment and trade, can change quickly and unpredictably in a manner adverse to clients' interests.

*Risks of Investing in India:* The Firm invests primarily in Indian securities. Investing in Indian securities may represent a greater degree of risk than investing in U.S. securities due to factors such as possible currency exchange rate fluctuations, political scenario, etc. In addition, Indian securities may be impacted differently by various market risks, including quality risks, liquidity risks and volatility.

The value and marketability of investments may be affected by changes or developments in the legal and regulatory climate in India. The SEBI regulates the equity market in India and legislates from time to time on matters affecting the equity market. The SEBI and/or the Government of India may make changes to regulations which could affect the ability of making, or exiting, investments.

*Restrictions on International Trade:* The leaders of several developed countries have proposed withdrawing from trade agreements and other restrictions on international trade. If implemented, such proposals could have an adverse impact on the Indian economy.

*Small and Mid-sized Companies:* The Firm invests a large portion of its clients' assets in securities of small and/or mid-sized companies. While such companies generally have potential for rapid growth, they often involve higher risks because they may lack the management experience, financial resources, product diversification, and competitive strength of larger companies. Investments in companies with smaller market capitalizations, including companies generally considered to be small-cap issuers and medium sized companies, may involve greater risks and volatility than investments in larger companies. Companies with smaller market capitalizations may be at an earlier stage of development, may be subject to greater business risks, may have limited product lines, limited financial resources and less depth in management than more established companies. In addition, these companies may have difficulty withstanding competition from larger more established companies in their industries. In addition, in many instances, the frequency and volume of their trading may be substantially less than is typical of larger companies. Such companies may not be well-known to the investing public, may not have significant institutional ownership and may have cyclical, static or only moderate growth prospects. As a result, the securities of smaller companies may be subject to wider price fluctuations. When making large sales, the Firm may have to sell portfolio holdings at discounts from quoted prices or may have to make a series of small sales over an extended period of time due to the lower trading volume of smaller company securities.

Securities of small and/or mid-sized companies may be followed by relatively few securities analysts with the result that there tends to be less publicly available information concerning these securities compared to what is available for exchange-listed or larger companies. The securities of

these companies may have limited trading volumes and may be subject to more abrupt or erratic market movements than the securities of larger, more established companies or the market averages in general and thus, may create a greater chance of loss than investing in securities of larger capitalization companies. In addition, when dealing in such securities, the Firm may be required to deal with only a few market makers when purchasing and selling these securities, such securities may have to be sold at a discount from current prices and/or sold in small lots over an extended period of time. Transaction costs in smaller capitalization stocks may be higher than those for larger-capitalized companies. Transaction costs in smaller capitalization stocks may be higher than those of larger capitalization companies.

Firm clients can hold a diverse range of investments, yet the Firm still encourages clients as well as their investors to consider all of the risk factors described above. Any investment can be risky and clients and investors in the Fund must be prepared to assume any potential loss.

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

A. Neither the Firm nor any management person has been involved in any criminal or civil actions in a domestic, foreign or military court.

B. Neither the Firm nor any management person has been subject to an administrative proceeding before the Securities and Exchange Commission, any other federal regulatory agency, any state regulatory agency or any foreign financial regulatory authority.

C. Neither the Firm nor any management person has been subject to a proceeding before any self-regulatory organization.

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

A. Neither the Firm nor any of its management persons is registered, or has an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

B. Neither the Firm nor any of its management persons is registered, or has an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor.

C. The Firm manages investments for, and otherwise provides investment advisory services to, the Fund, which is a related person of the Firm.

Neither the Firm nor its management persons has any relationship or arrangements with other financial services companies that are material to its advisory business, its clients or the investors in the Fund.

D. The Firm does not recommend or select unaffiliated investment advisers for investment by its clients.

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

A. The Firm has adopted a Code of Ethics pursuant to the SEC's rule 204A-1. The Code of Ethics includes the Firm's policies as they relate to personal investment and trading by principals and employees. The Code of Ethics requires employees to report securities holdings and to receive pre-approval before engaging in certain personal securities transactions. Among other things, the Firm imposes certain restrictions and reporting requirements on all employees and principals relating to the purchase or sale of securities for their own accounts and the accounts of certain affiliated persons.

Firm employees may not purchase or sell any security on their own behalf or on behalf of others, including family members, unless the transaction is pre-cleared with the Firm's Chief Compliance Officer; however, employees may make deposits in checking and savings accounts and purchase, sell or trade in certificates of deposit, commercial paper and other similar money market instruments, Indian government securities, treasury securities, shares of unaffiliated open-ended stock and bond mutual funds and securities held in accounts managed by third-party investment advisers in which the employee has no investment discretion without receiving pre-clearance from the Firm's Chief Compliance Officer.

The Firm's procedures and Code of Ethics also require that each of the Firm's employees report personal securities transactions no later than 30 days after the end of each calendar quarter. Employees must also report all accounts and personal holdings annually. Appropriate supervisory personnel of the Firm will review these reports on a regular basis.

The Firm also maintains certain policies and procedures designed to prevent principals and employees from misusing material non-public information. The Firm will furnish a copy of the Code of Ethics to current and prospective clients or investors in the Fund upon request.

B. The Firm, its principals, and its employees do not recommend to clients, nor do they buy or sell for clients' accounts, securities in which they have a material financial interest.

C. Firm principals or employees may invest in the same security as clients. This could create a conflict of interest if principals and employees receive more favorable execution prices than do clients because principals' and employees' trades might have driven up the market prices of target securities. However, the Firm has attempted to mitigate the risks associated with this type of situation through broad personal securities trading restrictions contained in the Code of Ethics, and by requiring pre-approval of most securities transactions, but there can be no assurance that all of these risks can be eliminated. In addition, in the event that Firm principals and employees are trading in the same securities on the same day as Firm clients, transactions for Firm clients will be executed before those of the principals and employees.

## **Item 12. Brokerage Practices**

A. As mentioned above, the Firm may provide discretionary or non-discretionary management services to clients. When, at a client's request, the Firm provides non-binding research or recommendations to the client, the client will be responsible for implementing trades based on the

Firm's advice and so will choose brokers and determine the terms on which trades are made. Therefore, the remainder of this Item 12 only apply in those cases where the Firm has discretionary authority over a client's account.

The Firm selects broker-dealers for clients on the basis of obtaining the best price and execution for their transactions, which the Firm evaluates based on a variety of factors, including the following: price, size of order, difficulty of execution and operational facilities of a brokerage firm, the Firm's risk in positioning a block of securities and the competitiveness of commission rates in comparison with other brokers satisfying other selection criteria.

The Firm does not currently or intend to generate "soft dollars" and has not and does not intend to enter into any contractual soft dollar credit arrangements. The Firm may, however, receive an economic benefit in the sense that the Firm may receive or review research from certain brokers that Firm deems to be of value. The receipt of any soft dollar items benefits the Firm because it does not have to produce or pay for the research or services received, which can create a conflict of interest between the Firm and clients because clients pay for products and services that are not exclusively for their benefit and that may be primarily or exclusively for the benefit of the Firm. To the extent that the Firm is able to acquire these products and services without expending its own resources, its use of soft dollar benefits tends to increase its profitability.

Any research that Firm receives from its brokers satisfies the definition of research in Section 28(e) and related guidance. In allocating order flow, the Firm has the ability to give preference to those brokers or dealers who provide the Firm with research and/or related services described above, so long as it believes it is consistent with the objective of best net execution. The Firm has an incentive, however, to give preference to these brokers as a result of the research or services it receives.

Commission rates are negotiated to be competitive, given the appropriate level of service.

Because the Firm can negotiate commission rates, selecting brokers on the basis of considerations not limited to applicable commission rates may at times result in higher transaction costs for clients than would otherwise be obtainable.

In placing orders to purchase and sell securities, the Firm seeks the best net execution, which includes both commissions and execution prices. The Firm places orders with brokers or dealers which it believes are responsible and provide effective execution of orders under conditions most favorable to the accounts.

The Firm has established trading error procedures which provide that the resolution of all errors will be made in accordance with its fiduciary duties. It is the Firm's policy to resolve any error identified in a client account in a manner which ensures that the account is made whole and no loss is borne by a client. The Firm prohibits the use of soft dollar to solve trade errors. If a trade error is discovered prior to settlement, and the trade cannot practicably be broken, the trade will be settled in a Firm trade error account maintained at the broker/dealer. Securities acquired in an error account are not held for investment, but rather an offsetting transaction will be executed in the error account to either sell or cover the securities transacted in error, at the Firm's discretion, as

soon as practicable. The Firm may elect to close such a position while client orders to buy or sell are pending. A trader or in one client's account may be corrected through re-allocation of the amounts of securities that had been allocated to various client accounts so long as it is effected prior to settlement. Additionally, a transfer involving a post-settlement adjustment involving a purchase or sale between accounts of securities to another client's account may occur. Any reallocation or other transfer must be approved by the Firm's Chief Compliance Officer and represent a legitimate investment decision by the Firm in overall best interest of each account involved, and then only if the reallocation or other transfer is done without loss to the transferee account.

The Firm does not consider client referrals in selecting or recommending broker-dealers.

The Firm does not permit discretionary clients to direct the Firm to execute transactions through a specified broker-dealer. Non-discretionary Separate Clients provide or contract for their own execution services.

B. If the Firm determines that it would be appropriate for more than one client to participate in an investment opportunity, the Firm seeks to execute orders for all of the clients participating in the investment on an equitable basis. If the Firm invests at the same time for more than one client, the Firm generally places combined orders for all participating clients simultaneously and if all of the orders are not filled at the same price, the Firm generally averages the prices paid. Similarly, if an order on behalf of more than one client cannot be fully executed under prevailing market conditions, the Firm allocates the trade among the different clients on a basis that it considers equitable. However, situations may occur where one client could be disadvantaged because of the investment activities the Firm conducts for other clients.

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

The Chief Investment Officer reviews client accounts monthly or more frequently if triggered by economic or market conditions in a manner consistent with the investment goals of the clients' accounts. The investment team reviews client accounts daily.

The Firm provides, quarterly reports to clients and investors in the Fund. All reports are in written form, including by way of electronic delivery. Such reports to a) clients include portfolio disclosure, transactions undertaken during the period of report including date of transaction and details of purchases and sales, material risks; and b) investors in the Fund include portfolio disclosure, financial information of investee companies, material risks and how they are managed.

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

The Firm and its Principal (and any other employees) do not receive any economic benefit from non-clients for providing advisory services to clients.

The Firm on an ongoing basis enters into agreements with entities / individuals ("Distributors") for distribution of / referring financial products of the Firm. The Firm may pay commission to Distributors for referring clients or investors in the Fund to the Firm. The compensation may be up to 50% of the management fee and up to 30% of the performance fees paid by those referred

clients or investors. The Firm will only engage Distributors that hold appropriate licenses or registrations to introduce clients or investors to the Firm. The Firm will compensate Distributors for client referrals in the United States only in accordance with SEC rule 206(4)-3

### **Item 15. Custody**

The Firm does not have “custody”, as defined in Rule 206(4)-2 under the Advisers Act, of the cash or securities of its clients, except that the Firm may arrange for deduction of its fees from client accounts. The Firm complies with SEC Rule 206(4)-2 in relation to any U.S. clients for which the Firm has “custody”, as defined in the Rule, of client cash or securities. Clients should carefully review and compare the account statements provided by their custodian and the Firm.

### **Item 16. Investment Discretion**

Pursuant to the governing documents of the Firm’s clients, the Firm has complete investment authority with respect to the securities owned by the Fund and Firm’s discretionary management services clients that are placed under the management of the Firm, and, other than as set forth in those documents, those clients do not place any limits on this authority. To assume this authority, those clients grant the Firm a power-of-attorney for this purpose.

For non-discretionary Separate Clients, the Firm will only provide non-binding research or investment recommendations and, in those cases, the final determination on whether or not to proceed with investment transactions recommended by the Firm will be made by the client or by another investment manager engaged by the client.

### **Item 17. Voting Client Securities**

A. The Firm follows an established policy to vote proxies on behalf of its discretionary clients. The purpose of this policy is to further the best interests of clients. In some cases the policy may permit the Firm not to vote proxies, such as on routine matters or where the Firm’s clients and / or Fund have insignificant exposure to a portfolio company. The Firm makes its proxy voting policy, together with information regarding how it has voted past proxies, available to clients and investors in the Fund upon written request. Clients and investors in the Fund cannot direct the Firm to vote in a particular solicitation.

For non-discretionary clients, the Firm will only provide non-binding recommendations on voting proxies at the request of the client.

If the Firm determines that a conflict of interest exists with respect to a particular issuer, the Chief Compliance Officer will determine whether the conflict of interest is material. If the Chief Compliance Officer determines that the conflict of interest is not material, the Firm may vote proxies notwithstanding the existence of the conflict. If the Chief Compliance Officer determines that the conflict of interest is material, the Firm will resolve the conflict in one of several possible ways before voting the proxy, such as by engaging a third party to recommend a vote with respect to the proxy.

**Item 18. Financial Information**

The Firm does not require nor does it solicit prepayment of more than \$500 in fees per client, six month or more in advance.

The Firm does not believe any financial condition exists that is reasonably likely to impair its ability to meet contractual commitments to clients.

The Firm has never been the subject of a bankruptcy petition.