

## **BROCHURE OF**

# **ASYMMETRY CAPITAL MANAGEMENT, L.P.**

A Delaware limited partnership registered with the U.S. Securities and Exchange Commission as  
an Investment Adviser  
CRD# 269947

---

101 California Street, 17<sup>th</sup> Floor  
Suite 1725  
San Francisco, CA 94111

August 10, 2015

**THIS BROCHURE PROVIDES INFORMATION ABOUT THE QUALIFICATIONS AND BUSINESS PRACTICES OF ASYMMETRY CAPITAL MANAGEMENT, L.P. IF YOU HAVE ANY QUESTIONS ABOUT THE CONTENTS OF THIS BROCHURE, PLEASE CONTACT US AT (415) 801-4606 OR CZELLNER@ASYMMETRYCAPITAL.COM.**

**THE INFORMATION IN THIS BROCHURE HAS NOT BEEN APPROVED OR VERIFIED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION (“SEC”) OR ANY STATE SECURITIES AUTHORITY.**

**ADDITIONAL INFORMATION ABOUT ASYMMETRY CAPITAL MANAGEMENT, L.P. IS ALSO AVAILABLE ON THE SEC’S WEBSITE AT [WWW.ADVISERINFO.SEC.GOV](http://WWW.ADVISERINFO.SEC.GOV).**

The delivery of this brochure (the “Brochure”) at any time does not imply that the information contained herein is correct as of any time subsequent to the date shown above. This Brochure will supersede all other documents containing information about Firm.

### **Material Changes**

This is Asymmetry Capital Management, L.P.'s initial Brochure. There are no material changes to report regarding our advisory business.

## Table of Contents

ADVISORY BUSINESS .....	1
FEES AND COMPENSATION .....	1
PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT .....	1
TYPES OF CLIENTS .....	2
METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS .....	3
DISCIPLINARY INFORMATION .....	3
OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS .....	4
CODE OF ETHICS AND PERSONAL TRADING POLICIES .....	4
BROKERAGE PRACTICES .....	4
REVIEW OF ACCOUNTS .....	5
CLIENT REFERRALS .....	5
CUSTODY .....	6
INVESTMENT DISCRETION .....	6
PROXY VOTING POLICY .....	6
FINANCIAL INFORMATION .....	6

## **ADVISORY BUSINESS**

Asymmetry Capital Management, L.P. (the “Firm”) is a Delaware limited partnership, which was formed on June 17, 2015. Scott C. Kay is the founder and Chief Investment Officer (“CIO”) of the Firm. Mr. Kay is also the manager of the Firm’s general partner, curis cognitio, LLC, and the manager of ACM HC, LLC, the sole limited partner of the Firm.

The Firm currently provides investment management services to a master-feeder structure consisting of Asymmetry Global Healthcare (Master) Fund, L.P. (the “Master Fund”), a Cayman Islands limited liability partnership, Asymmetry Global Healthcare (Offshore) Fund, Ltd., a Cayman Islands exempted company and Asymmetry Global Healthcare (Domestic) Partners, L.P., a Delaware limited partnership (collectively, the “Offshore Funds”). The Firm also provides investment management services to Asymmetry Global Healthcare Fund, L.P., a Delaware limited partnership (the “Onshore Fund”). Each are private fund clients, which in turn are offered exclusively to sophisticated investors. Investors in the Onshore Fund and the Offshore Funds are accredited investors (as defined in Rule 501 of Regulation D promulgated under the Securities Act of 1933, as amended) and qualified clients as defined in Rule 205-3, promulgated under (the “Advisers Act”). Additionally, investors in the Offshore Funds are also qualified purchasers as defined under the Investment Company Act of 1940, as amended. The Firm also intends to offer investment advisory services to sophisticated investors on a discretionary basis through separately managed accounts (SMAs), which may utilize strategies similar to that of the Onshore Fund or Offshore Funds and will custom tailor such advisory services based on individual objectives.

## **FEES AND COMPENSATION**

The Firm generally charges the Master Fund and the Onshore Fund a management fee on a monthly basis. The management fee equals 0.15% (1.75% annually) of assets under management of each of the Master Fund and the Onshore Fund. Lower management fees may also be negotiated at the Firm’s discretion. The general partner of the Master Fund and the Onshore Fund generally receive performance-based compensation on an annual basis equal to 20% of the performance of the Master Fund and the Onshore Fund. All management fees and performance-based compensation are calculated pursuant to the governing documents of the relevant fund.

## **PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT**

A performance-based compensation arrangement may create an incentive for the Firm to make investments that are riskier or more speculative than would be the case in the absence of such performance compensation. To the extent the Firm values any such securities or instruments, it has a conflict of interest as the Firm will receive higher management and performance fees if it gives such securities and instruments a higher valuation. The Firm may receive increased compensation with regard to unrealized appreciation as well as realized gains in the relevant fund’s account, depending on the specific time periods and the nature of any preferred returns. Where any part of the Firm’s compensation is based in part on the unrealized

appreciation of securities or instruments for which market quotations are not readily available, the Firm shall disclose how such securities or instruments will be valued and the extent to which the valuation will be determined independently.

In addition, in the event that the Firm manages an account from which it collects performance compensation and also manages at the same time an account from which it does not collect performance compensation, the Firm has an incentive to favor accounts for which it receives the performance compensation because it will receive a greater profit from the accounts which are charged performance compensation. Therefore, the Firm has an incentive to allocate investments that are expected to be more profitable to accounts from which it collects performance compensation, on the one hand, and that are riskier on the other hand, since in both scenarios, the Firm may receive greater fees if the investment generates a positive return. Notwithstanding the foregoing, the Firm does not favor accounts that pay performance fees.

The Firm does not represent that the amount of the performance fees or the manner of calculating the performance fees is consistent with other performance-related fees charged by other investment advisers under the same or similar circumstances. The performance compensation charged by the Firm may be higher or lower than the performance compensation charged by other investment advisers for the same or similar services.

Specific details regarding any performance-based compensation are set forth in each respective client's investment management agreement or relevant private placement memorandum.

#### *Separately Managed Accounts*

The Firm intends to manage separate institutional and individual client accounts on a discretionary basis. The Firm's strategy is to seek to achieve positive absolute returns in all market conditions through investment and trade in a diversified portfolio of global healthcare and healthcare related companies across multiple healthcare sectors and market capitalizations.

All clients/investors incur third-party brokerage commission and other transaction costs, as explained in further detail in the **Brokerage Practices** section below. Additional third-party costs related mainly to custody, audit, administration, legal advice, tax advice and preparation, banking services, and research and consulting may also apply for fund investors. In some cases, the funds may also be billed to reimburse the Firm for certain travel expenses. In all cases, details concerning applicable fees and expenses are set forth in each respective client's limited partnership agreement, limited liability company operating agreement, investment management agreement, and/or prospectus.

## **TYPES OF CLIENTS**

As discussed in the **Advisory Business** section above, the Firm currently provides investment management services primarily to funds, which in turn are offered exclusively to sophisticated investors. The Firm also intends to offer investment management services to sophisticated investors on a discretionary basis through SMAs. Although the Firm generally seeks minimum account commitments from its investors/clients of US\$ 1,000,000, it can waive such minimums in its discretion. Minimums for SMAs will be negotiated.

## **METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS**

Each strategy employed by the Firm has its own set of risks, but in all cases, the Firm's strategies involve a risk of loss that clients should understand and be prepared to bear.

The Firm may provide investment management services to funds and may also manage other accounts and/or establish other private investment funds in the future.

The Firm will attempt to achieve positive absolute returns in all market conditions through investment and trade in a diversified portfolio of global healthcare and healthcare related companies across multiple healthcare sectors and market capitalizations. The Firm will primarily buy, sell (long or short), hold and trade in equity securities that are traded in U.S. and non-U.S. public markets based upon fundamental analysis. The Firm intends to invest globally in companies of all market capitalizations primarily through investments in equity securities, American Depositary Receipts (ADRs), U.S and non-U.S. listed options, total return and equity swaps (including basket), and exchange-traded funds (ETFs). While it is not the primary focus of the Firm's investment strategy, it may also invest in long or short positions in equity futures, swaps, notes, bills, warrants, futures, rights, derivatives, fixed income assets and other securities or assets. The Firm may trade non-U.S. currencies for the purpose of hedging foreign exchange exposures. The Firm may utilize leverage to achieve its investment objective. In the future, the Firm may use its experience and knowledge in healthcare to broaden its investment opportunities.

The Firm intends to implement its investment objective through deep-dive fundamental research capitalizing on the experience and expertise of the research team led by Scott C. Kay. The Firm will seek to identify individual asymmetric investments representing out of consensus, high conviction, fundamental long and short positions. An asymmetric investment is one that the Investment Manager considers to have a greater potential for positive return than the risk of loss. Short selling is intended to be an important component of the Firm's investment strategy and is expected to be a positive contributor to overall performance.

The Firm's investment strategy may also include foreign securities, options, making private investments in public entities and the use of leverage, as further set forth in the relevant funds' private placement memorandum or a SMA's investment management agreement.

A more complete discussion of the investment strategy and risks involved is contained in the relevant private placement memorandum for the funds (or the investment management agreement for SMAs) and should be read carefully. The Firm's investment strategy involves a risk of loss that investors/clients should understand and be prepared to bear.

## **DISCIPLINARY INFORMATION**

The Firm does not believe that any of the partners, officers or employees of the Firm, have been involved in any legal or regulatory action, or other disciplinary event that is material to an

investor's or prospective investor's evaluation of the advisory business or management of the Firm.

The Firm has no existing or pending affiliations with a broker-dealer or a registered representative of a broker-dealer. The Firm has no existing or pending affiliations with a Futures Commission Merchant (FCM), Commodity Pool Operator (CPO), or Commodity Trading Advisor (CTA).

## **OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

- (a) The Firm is neither registered, nor has any applications pending, with a broker-dealer.
- (b) The Firm and its management persons are neither registered, nor do they have any applications pending, as a Futures Commission Merchant, Commodity Pool Operator, Commodity Trading Advisor, or as an associated person of the foregoing.
- (c) The Firm and/or its management persons have no relationships or arrangements with other firms that are material to its advisory business, other than those disclosed under "ADVISORY BUSINESS" on page 1 above.
- (d) The Firm does not intend to recommend or select other investment advisers.

## **CODE OF ETHICS AND PERSONAL TRADING POLICIES**

Consistent with the Advisers Act, the Firm maintains a code of ethics, which includes policies regarding the trading of securities in personal brokerage or similar accounts by its principals and employees. The code restricts the Firm's principals, members and employees from maintaining or trading in such accounts and establishes that any activity that either abuses confidential knowledge about client accounts or attempts to profit at their expense is considered an abuse of the foundation of trust upon which the Firm's business is built and is strictly prohibited. All the Firm's employees are required to submit annual reports on all securities holdings and quarterly reports on all security transactions in accounts controlled either directly or indirectly (although certain exceptions apply). Submitted reports are reviewed by the chief compliance officer ("CCO"), or his delegate. Violations of policy are punishable by sanctions including fines and termination of employment.

## **BROKERAGE PRACTICES**

The Firm has discretion over the selection of brokers used for securities transactions in its private fund clients' accounts, and may have similar discretion in the accounts of its institutional and individual clients managed on a separate account basis. Where the Firm has such discretion, its selection of brokers will take into account the following factors: the ability to effect prompt and reliable executions at favorable prices (including the applicable dealer spread or commission, if any); the operational efficiency with which transactions are effected, taking into account the size

of order and difficulty of execution; the financial strength, integrity and stability of the broker; The Firm's risk in positioning a block of securities; the quality, comprehensiveness and frequency of available brokerage and research products and services considered to be of value; and the competitiveness of commission rates in comparison with other brokers satisfying the other selection criteria.

### ***Soft Dollar Benefits***

The term "soft dollars" refers to the receipt by an investment manager or adviser of products and services provided by brokers, without any cash payment by the investment manager, based on the volume of brokerage commission revenues generated from securities transactions executed through those brokers on behalf of the investment manager's clients. Section 28(e) of the Securities Exchange Act of 1934, as amended ("Exchange Act"), provides a "safe harbor" to investment managers who use soft dollars generated by their advised accounts to obtain brokerage and research products and services. Brokerage products and services must relate to the execution, clearance and settlement of trades. Research products and services must provide lawful and appropriate assistance to the investment manager in the performance of investment decision-making responsibilities. The Firm will only use soft dollars within the safe harbor afforded by Section 28(e) of the Exchange Act.

If applicable, the use of brokerage commissions to obtain investment research services and to pay for the Firm's administrative costs and expenses creates a conflict of interest between the Firm, on the one hand, and its clients, on the other, because the investor/client pays for such products and services that are not exclusively for the benefit of the investor/client and that may be primarily for the benefit of Firm or other investors/clients.

## **REVIEW OF ACCOUNTS**

Client accounts are reviewed by the CIO and CCO on a daily, monthly or a quarterly basis, depending on activity in the account and the frequency of client reporting. Investors in the Firm's private funds receive written statements containing individual net asset values on a monthly or quarterly basis, either from the Firm directly or from the independent fund administrator, as set forth in the terms of the relevant private placement memorandum or partnership or limited liability company agreement. Clients with SMAs generally have real-time access to reports of net asset values and account activity.

## **CLIENT REFERRALS**

The Firm may enter into arrangements with unaffiliated third parties whereby compensation is paid for referring clients or investors. Generally, these payments are based on a percentage of management fees, performance-based fees, or some combination thereof, earned by the Firm with respect to such client or investor. Because such arrangements contain inherent conflicts of interests between the referring party, on the one hand, and the client/investor, on the other, the Firm requires documentation that these conflicts have been disclosed and consented to by clients.



## **CUSTODY**

The Firm may be considered to have custody of client assets as a result of fee payments or the service of its affiliates as general partner to private investment partnerships. Actual custody of client assets, however, is at a broker-dealer, bank or other qualified custodian. Clients should carefully review all account statements and compare those received from the Firm with those received directly from its designated administrators. For its private funds, the Firm will send audited financial statements, prepared in accordance with GAAP, to each fund investor within 120 days after such fund's fiscal year end.

## **INVESTMENT DISCRETION**

As an investment adviser, the Firm generally has discretionary authority over clients' accounts to determine securities bought and sold and in what quantities, the amount of leverage employed, the broker-dealer used and the commission rates to pay, among other things. The specific terms of the scope of such investment discretion is detailed in the relevant account's investment management agreement.

## **PROXY VOTING POLICY**

Consistent with the Advisers Act, the Firm has adopted a proxy voting policy that is guided by its fiduciary responsibilities and commits its principals and employees to vote in a manner which is believed to do the most to maximize shareholder value and to never prioritize unrelated objectives. Proxy votes are reviewed by the CCO or his delegate for adherence to this policy.

## **FINANCIAL INFORMATION**

The Firm does not require or solicit prepayment of management fees six or more months in advance. The Firm has no financial condition to disclose that is reasonably likely to impair its ability to meet contractual commitments to its clients. Additionally, the Firm has not been the subject of a bankruptcy petition at any time during the past ten years.

For questions or requests for additional information, please contact the CCO at the number or address listed on the cover of this brochure.