

# Boldhaven Management LLP

## Part 2A of Form ADV

### The Brochure

60 Sloane Avenue  
London, United Kingdom  
SW3 3XB  
[HTTP://WWW.BOLDHAVEN.COM](http://www.boldhaven.com)

December 21, 2020

This brochure provides information about the qualifications and business practices of Boldhaven Management LLP (“Boldhaven” or “Firm”). If you have any questions about the contents of this brochure, please contact us at + 44 20 8017 4521 or [info@boldhaven.com](mailto:info@boldhaven.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

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

## Item 2. Material Changes

This is Boldhaven's initial registration with the SEC and therefore there are no material changes.

## Table of Contents

Item 2. Material Changes .....	2
Table of Contents .....	2
Item 4. Advisory Business.....	3
Item 5. Fees and Compensation.....	3
Item 6. Performance Based Fees and Side-by-Side Management.....	4
Item 7. Types of Clients .....	4
Item 8. Methods of Analysis, Investment Strategies and Risk of Loss .....	4
Item 9. Disciplinary Information .....	8
Item 10. Other Financial Industry Activities and Affiliations.....	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 .....	10
Item 14. Client Referrals and Other Compensation .....	10
Item 15. Custody .....	10
Item 16. Investment Discretion .....	11
Item 17. Voting Client Securities .....	11
Item 18. Financial Information.....	11

## **Item 4. Advisory Business**

Boldhaven was founded in October 2017 and began managing assets in June 2018. Boldhaven has its principal place of business in London, United Kingdom. Ronald Sofer is the founder, Chief Investment Officer and majority owner of Boldhaven.

Boldhaven manages a low net, concentrated, European focused equity long/short strategy with the added ability to invest across the capital structure via liquid credit. Boldhaven employs a fundamental investment approach, seeking to identify value dislocations on both the long and short side. Boldhaven's competency across asset classes gives us the capability to exploit broad structural market opportunities and best express our investment thesis via the most favorable instrument.

Boldhaven's goal is to achieve superior long-term absolute investment returns, primarily through capital appreciation in all market conditions, while incurring less risk than the overall market.

Boldhaven serves as an investment adviser to Boldhaven Master Fund (the "Fund"), a master-feeder structure organized under the laws and regulations of the Cayman Islands, and offers limited partnership interests in a private placement pursuant to Section 4(2) of the Securities Act of 1933, as amended, and Regulation D.

In providing such services to the Fund, Boldhaven formulates its investment objective, directs & manages the investment and reinvestment of the Fund's assets and provides reports to Limited Partners. Boldhaven manages the assets of the Fund in accordance with the terms of its governing documents. Boldhaven has complete discretion and authority to manage and direct the investment of capital for the Fund. Additional information on the Fund and a discussion on conflicts and risks are available in the Fund's private placement memorandum ("PPM").

Boldhaven does not currently tailor its advisory services but could provide tailored services based on the individual needs of clients in the future.

Boldhaven does not participate in or sponsor any wrap fee programs.

As of October 31, 2020, Boldhaven manages \$178,123,295 of client assets on a discretionary basis.

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

Compensation received by Boldhaven is generally comprised of fees based on a percentage of assets under management and performance-based amounts. In consideration for the services it provides to the Fund, the Fund pays a management fee, charged monthly in arrears, to Boldhaven at a rate per annum up to 1.50%. This is depending on the class offered and of the aggregate net asset value of the Fund, although reductions and other terms may be negotiated with investors on a case-by-case basis and pursuant to side arrangements/letters. Boldhaven directly deducts fees from the client account.

In addition to the fees described above, Boldhaven Fund Limited and Boldhaven Fund LP (the “Feeder Funds”) will bear their own expenses and pro rata share of the Fund’s expenses and any trading vehicle’s expenses. This includes expenses related to investment research; third-party investment sourcing fees; due diligence expenses including consulting and appraisal fees; brokerage, prime brokerage and futures commission merchant fees, commissions and expenses; expenses relating to short sales; clearing and settlement charges; custodial fees and expenses; bank service fees; interest expenses and fees related to financings or refinancings; fees and expenses of proxy research and voting services; and fees and expenses of third-party professionals, including consultants, investment bankers, attorneys and accountants; and certain organizational and operational expenses. This is a general overview of expenses. Please refer to the applicable offering documents for further fee and expense disclosures.

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

The General Partner receives a performance-based incentive allocation from the Fund. Performance based compensation can create conflicts of interest because it can cause an adviser to engage in more risky transactions than it might engage in otherwise. Boldhaven attempts to avoid these conflicts whenever possible and if not feasible, we try to disclose these conflicts to our Limited Partners. The primary means we have of disclosing these conflicts to our Limited Partners is through this brochure which is updated no less than annually.

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

Boldhaven currently provides investment advice solely to the Fund. The Fund generally requires a minimum subscription of \$5,000,000. The General Partner, in its sole discretion, could accept capital contributions of lesser amounts or establish different minimums or reject any capital contribution, in whole or in part, for any reason or no reason. Boldhaven also may provide investment advisory services to clients such as fund of funds, family offices, or high net worth individuals in the future.

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

Boldhaven has a fundamental, bottom-up investment approach which seeks to identify significantly undervalued or mispriced European securities. Boldhaven invests where we have a differentiated view around a company’s earnings quality or trajectory, its intrinsic value or a potential value changing catalyst. We focus on understanding the cash flow generating ability of a business, and the magnitude and sustainability of this free cash flow. We have a long-term investment horizon which provides duration for our ideas to reach fruition. Our equity and credit experience allows us to isolate the securities within a company’s capital structure which, in our view, offer the most attractive return profile.

All investing involves a risk of loss that Limited Partners should be prepared to bear. The investment strategy offered by Boldhaven could lose money over short or long periods of time. An investment in the limited partnership interests offered by the Fund should be viewed as a non-liquid investment

and involves a high degree of risk. Limited Partners should carefully assess risk factors such as conflicts of interest, restrictions on transfer and withdrawal of interests and various legal, tax and other considerations.

Investment performance could be negatively impacted by a number of different risks including but not limited to:

- *Risk of Loss.* No guarantee or representation is made that the Master Fund's investment program, including the Master Fund's investment objective, diversification strategies or risk monitoring goals, will be successful. Investment results may vary substantially over time.

No assurance can be made that profits will be achieved or that substantial or complete losses will not be incurred. Past investment results of the Master Fund and the Investment Adviser (or investments otherwise made by the investment professionals of the Investment Adviser) are not necessarily indicative of their future performance.

- *Lack of Diversification.* Boldhaven's investment strategy tends to be concentrated, which means that it may invest a greater percentage of its assets in the securities of fewer issuers. In general, a less diversified portfolio bears more risk than a broadly diversified portfolio.
- *Long/Short Risk.* The success of the Master Fund's long/short investment strategy depends upon the Firm's ability to identify and purchase Securities that are undervalued and identify and sell short Securities that are overvalued. The identification of investment opportunities in the implementation of the Master Fund's long/short investment strategies is a difficult task, and there are no assurances that such opportunities will be successfully recognized or acquired. In the event that the perceived opportunities underlying the Master Fund's positions were to fail to converge toward or were to diverge further from values expected by the Firm, the Master Fund may incur a loss. In the event of market disruptions, significant losses can be incurred which may force the Master Fund to close out one or more positions. Furthermore, the valuation models used to determine whether a position presents an attractive opportunity consistent with the Firm's long/short strategies may become outdated and inaccurate as market conditions change.
- *Short Selling Risk.* The success of the Master Fund's short selling investment strategy depends upon the Firm's ability to identify and sell short Securities that are overvalued. A short sale creates the risk of a theoretically unlimited loss, in that the price of the underlying Security could theoretically increase without limit, thus increasing the cost to the Master Fund of buying those Securities to cover the short position. There can be no assurance that the Master Fund will be able to maintain the ability to borrow Securities sold short. In such cases, the Master Fund can be "bought in" (i.e., forced to repurchase Securities in the open market to return to the lender). There also can be no assurance that the Securities necessary to cover a short position will be available for purchase at or near prices quoted in the market. Purchasing Securities to close out a short position can itself cause the price of the Securities

to rise further, thereby exacerbating the loss. Short strategies can also be implemented synthetically through various instruments and be used with respect to indices or in the over-the-counter market and with respect to futures and other instruments. In some cases of synthetic short sales, there is no floating supply of an underlying instrument with which to cover or close out a short position and the Master Fund may be entirely dependent on the willingness of over-the-counter market makers to quote prices at which the synthetic short position may be unwound. There can be no assurance that such market makers will be willing to make such quotes. Short strategies can also be implemented on a leveraged basis. Lastly, even though the Master Fund secures a “good borrow” of the Security sold short at the time of execution, the lending institution may recall the lent Security at any time, thereby forcing the Master Fund to purchase the Security at the then-prevailing market price, which may be higher than the price at which such Security was originally sold short by the Master Fund.

- *Currency Risk.* All portfolio securities will be hedged into the fund’s underlying share class currency.
- *Liquidity Risk.* The fund generally holds positions that average less than 10 days trading volume on a weighted basis. We expect that under normal market conditions +90% of the portfolio could be liquidated within 10 business days. In most market environments, the majority of positions will be implemented with “delta one” products. However, there are certain environments where the asymmetry of an option or its low level of implied volatility may make it an attractive instrument to utilize in the portfolio.
- *Volatility Risk.* The Master Fund’s investment program may involve the purchase and sale of relatively volatile Securities and/or investments in volatile markets. Fluctuations or prolonged changes in the volatility of such Securities and/or markets can adversely affect the value of investments held by the Master Fund.
- *Systemic Risk.* Systemic risk is the risk of broad financial system stress or collapse triggered by the default of one or more financial institutions, which results in a series of defaults by other interdependent financial institutions. Financial intermediaries, such as clearing houses, banks, securities firms and exchanges with which the Master Fund interacts, as well as the Master Fund, are all subject to systemic risk. A systemic failure could have material adverse consequences on the Master Fund and on the markets for the Securities in which the Master Fund seeks to invest.
- *Custodian and Counterparty Risk.* The Master Fund expects to establish relationships to obtain financing, derivative intermediation and prime brokerage services that permit the Master Fund to trade in any variety of markets or asset classes over time. However, there can be no assurance that the Master Fund will be able to establish or maintain such relationships. An inability to establish or maintain such relationships could limit the Master Fund’s trading activities, create losses, preclude the Master Fund from engaging in certain transactions or prevent the Master Fund from trading at optimal rates and terms.

Moreover, a disruption in the financing, derivative intermediation and prime brokerage services *provided* by any such relationships could have a significant impact on the Master Fund's business due to the Master Fund's reliance on such counterparties.

The Master Fund may effect transactions in the "over-the-counter" or "OTC" derivatives markets. The stability and liquidity of OTC derivatives transactions depends in large part on the creditworthiness of the parties to the transactions. In the OTC markets, the Master Fund enters into a contract directly with dealer counterparties which may expose the Master Fund to the risk that a counterparty will not settle a transaction in accordance with its terms because of a solvency or liquidity problem with the counterparty. Delays in settlement may also result from disputes over the terms of the contract (whether or not bona fide). In addition, the Master Fund may have a concentrated risk in a particular counterparty, which may mean that if such counterparty were to become insolvent or have a liquidity problem, losses would be greater than if the Master Fund had entered into contracts with multiple counterparties. Certain OTC derivative contracts require that the Master Fund post collateral.

If there is a default by a counterparty, the Master Fund under most normal circumstances will have contractual remedies pursuant to the agreements related to the transaction. However, exercising such contractual rights may involve delays or costs which could result in the net asset value of the Master Fund being less than if the Master Fund had not entered into the transaction. Furthermore, there is a risk that any of such counterparties could become insolvent and/or the subject of insolvency proceedings. In such case, the recovery of the Master Fund's Securities from such counterparty or the payment of claims therefor may be significantly delayed and the Master Fund may recover substantially less than the full value of the Securities entrusted to such counterparty. In addition, there are a number of proposed rules that, if they were to go into effect, may impact the laws that apply to insolvency proceeding and may impact whether the Master Fund may terminate its agreement with an insolvent counterparty.

Collateral that the Master Fund posts to its counterparties that is not segregated with a third-party custodian may not have the benefit of customer-protected "segregation" of such funds. In the event that a counterparty were to become insolvent, the Master Fund may become subject to the risk that it may not receive the return of its collateral or that the collateral may take some time to return.

- *Assumption of Business, Terrorism and Catastrophe Risks.* The Master Fund may be subject to the risk of loss arising from exposure that it may incur, indirectly, due to the occurrence of various events, including hurricanes, earthquakes, and other natural disasters, terrorism and other catastrophic events. These risks of loss can be substantial and could have a material adverse effect on the Master Fund, the Feeder Funds and the Limited Partners' investments therein.
- *Business Contingency Risk.* Boldhaven's operations are reliant on information technology ("IT") solutions. Risks associated with IT failures include loss of market access, inability to

access positions and risk reports, loss of data, and restricted communication. IT solutions are assessed for single points of failure, backup policies, and system redundancy. Boldhaven has engaged a third-party IT service provider (“IT provider”) that has developed and maintains a business continuity/disaster recovery plan for the restoration of critical processes and operations of the Hosted Services and the Hosted Services location. In terms of backup management, as part of the IT provider’s hosted services, data is encrypted and archived on a nightly basis via a secure connection to the IT provider’s data centers. Backups are monitored on a daily basis by the IT provider and verification checks are performed to confirm the integrity of the backed-up data.

- *Cybersecurity Risk.* As part of its business, Boldhaven processes, stores and transmits large amounts of electronic information, including information relating to the transactions of the Master Fund and personally identifiable information of the Limited Partners. Similarly, certain service providers, especially the Administrator, may process, store and transmit such information. Boldhaven has procedures and systems in place that it believes are reasonably designed to protect such information and prevent data loss and security breaches. However, such measures cannot provide absolute security.

The loss or improper access, use or disclosure of Boldhaven’s proprietary information may cause the Firm or Client to suffer, among other things, financial loss, the disruption of its business, liability to third parties, regulatory intervention, or reputational damage.

## **Item 9. Disciplinary Information**

Boldhaven and its employees have not been involved in any legal or disciplinary events in the past 10 years that would be material to a client’s evaluation of the Firm or its personnel.

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

Boldhaven is not registered and is not planning to register as a broker-dealer or a registered representative of a broker-dealer.

Boldhaven is not registered and is not planning to register as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

Boldhaven does not recommend other investment advisers or receive compensation from other advisers.

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



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

Boldhaven has adopted a written code of ethics that is applicable to all employees. Among other things, the code requires Boldhaven and its employees to act in clients' best interests, abide by all applicable regulations, avoid even the appearance of insider trading, and pre-clear and report on many types of personal securities transactions. Boldhaven's restrictions on personal securities trading apply to employees, as well as employees' family members living in the same household and any accounts over which the employee will be deemed to have beneficial ownership.

Boldhaven prohibits its staff from conducting personal trades in any single name equity or debt instrument. Unless it is an exempt transaction, all employees need to receive pre-clearance from the Chief Compliance Officer before executing any personal transaction. The Chief Compliance Officer monitors employee trading, relative to client trading, to ensure that employees do not engage in improper transactions.

On a periodic basis, employees are required to submit reports regarding their personal holdings and transactions as well as acknowledgements regarding the receipt and understanding of Boldhaven's code of ethics.

A copy of Boldhaven's code of ethics is available upon request by contacting the Chief Compliance Officer.

## **Item 12. Brokerage Practices**

Boldhaven will take all reasonable steps to obtain best execution for its clients. Boldhaven takes into account price, costs, speed, likelihood of execution and settlement, size and any other considerations relevant to the execution of the order when choosing a counterparty.

### Research and Soft Dollar Benefits

Boldhaven does not receive any soft dollar benefits. Consistent with guidance from the SEC and the European Commission regarding acceptable methods to pay for investment research under legislation in the European Union known as the Markets in Financial Instruments Directive ("MiFID II"), the Firm pays for research services by means of a Research Payment Account ("RPA") that will be funded by a direct accounting charge to the Fund. More detailed information about the operation and funding of the RPA will be disclosed in the relevant offering documents for the Fund.

### Brokerage for Client Referrals

Boldhaven does not receive client referrals from broker-dealers.

### Directed Brokerage

Clients may specifically request that their accounts only be traded through a particular broker/dealer. Boldhaven trades these accounts through the firm chosen by the client, which limits

Boldhaven's ability to seek best execution. Trading restrictions may result in materially higher trading costs and reduced returns.

#### Best Execution Reviews

On at least an annual basis, Boldhaven's Chief Compliance Officer and other senior executives evaluate the pricing and services offered by trading counterparties with those offered by other reputable firms. Boldhaven has sought to make a good-faith determination that the chosen trading counterparties provide clients with good services at competitive prices.

#### Aggregated Trades

Boldhaven executes all transactions at the Master Fund level and therefore Boldhaven does not engage in trade aggregation.

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

Accounts under Boldhaven's management are monitored on a consistent basis by the Chief Investment Officer. Additionally, the Chief Risk Officer is responsible for the implementation of portfolio risk policies, as well as risk monitoring and control. Boldhaven maintains certain investment and risk guidelines that are designed to identify any deviances from exposure guidelines, liquidity parameters or stress limits. Reviews of client accounts will also be triggered if a client changes his or her investment objectives, or if the market, political, or economic environment changes materially.

Clients receive account statements directly from their chosen custodian on at least a quarterly basis. Boldhaven may supplement these custodial statements with reports provided during client meetings or as requested.

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

Other than the previously described products and services in Item 8, Boldhaven does not receive any other economic benefits from non-clients in connection with the provision of investment advice to clients.

### **Item 15. Custody**

Boldhaven does not take or maintain physical custody of any client cash or securities and conducts all business operations such that client cash and securities are preserved in the safekeeping of an independent custodian. Account custodians send statements directly to the account owners on at least a quarterly basis. Clients should carefully review these statements and should compare these statements to any account information provided by Boldhaven.

Boldhaven and/or its affiliates may be deemed to have custody of the Fund and securities of the Fund by virtue of their status as an investment adviser, manager or general partner of the Fund.

To ensure compliance with Rule 206(4)-2 under the Advisers Act, the Fund is subject to an annual audit in accordance with generally accepted auditing standards and the audit reports are prepared in accordance with U.S. GAAP by an independent public accountant registered with and subject to regular inspection by the Public Company Accounting Oversight Board. The relevant audited financial statements are distributed to each investor via the Administrator within 120 days of the Fund's fiscal year end.

## **Item 16. Investment Discretion**

Boldhaven has investment discretion over all clients' accounts. Clients grant Boldhaven trading discretion through the execution of a limited power of attorney included in Boldhaven's advisory contract.

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

In accordance with its fiduciary duty to clients and Rule 206(4)-6 of the Investment Advisers Act, Boldhaven has adopted and implemented written policies and procedures governing the voting of client securities. All proxies that Boldhaven receives will be treated in accordance with these policies and procedures.

Boldhaven has the authority to vote client securities on behalf of the Fund. Boldhaven considers the reputation, experience, and competence of a company's management and board of directors when it evaluates a prospective investment. In general, Boldhaven votes in favor of routine corporate matters, such as the re-approval of an auditor or a change of a legal entity's name. Boldhaven also generally votes in favor of compensation practices and other measures that are in-line with industry norms, that allow companies to attract and retain key employees and directors, that reward long-term performance, and that align the interests of management and shareholders. Boldhaven supplements its evaluation of client proxies with guidance from an independent corporate governance consulting firm.

Conflicts of interest could arise from time to time in proxy voting. If Boldhaven identifies a material conflict of interest, it will follow the voting recommendation of the independent corporate governance consulting firm that it has retained.

A copy of Boldhaven's proxy voting policies and procedures, as well as specific information about how Boldhaven has voted in the past, is available upon written request.

## **Item 18. Financial Information**

Boldhaven has never filed for bankruptcy and is not aware of any financial condition that is expected to affect its ability to manage client accounts.