

# TPRV CAPITAL, LP

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## PART 2A OF FORM ADV: FIRM BROCHURE

March 30, 2020

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This brochure provides information about the qualifications and business practices of TPRV Capital, LP ("TPRV"). If you have any questions about the contents of this brochure, please contact us at (617) 702-7500. 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 TPRV also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Registration with the SEC as a registered investment adviser pursuant to the Investment Advisers Act of 1940, as amended (the "Advisers Act"), does not imply a certain level of skill or training.

This document is not an advertisement for the advisory services of TPRV, nor an offer to sell or the solicitation of an offer to purchase interests in any fund managed by TPRV.

## **Item 2      Material Changes**

TPRV has updated this brochure on Form ADV Part 2A as of March 30, 2020 as part of its annual amendment process. The information in this 2020 annual update does not reflect any material changes to information contained in our most recently filed annual update to the brochure dated March 29, 2019.

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## **Item 4        Advisory Business**

TPRV Capital, LP, a Delaware limited partnership, was established in 2017 with an office in Boston, MA. The firm's principal owners, Graig Fantuzzi and Michele Toscani (the "Principals"), own their respective interests in TPRV both directly and indirectly through one or more intermediate entities. The Principals also serve as Co-Chief Investment Officers of the firm.

TPRV provides investment management services to privately-placed pooled investment vehicles exempt from registration under the Investment Company Act of 1940, as amended, organized by TPRV or its affiliates. Investors invest in TPRV Capital Fund, LP, a Delaware limited partnership (the "Onshore Feeder") and TPRV Capital Fund, Ltd., a Cayman Islands exempted company (the "Offshore Feeder"), which invest in parallel through TPRV Capital Master Fund, LP, a Cayman Islands exempted limited partnership (the "Master Fund"). The Onshore Feeder and the Offshore Feeder are referred to collectively as the "Feeder Funds," and together with the Master Fund, the "Funds." The Funds operate through a "master-feeder" structure; all or substantially all of the assets of the Feeder Funds are invested in the Master Fund. TPRV may, in the future, organize additional investment vehicles or manage separately managed accounts that follow an investment program similar to or different from the Funds.

TPRV manages the Funds in a manner consistent with the investment program described in the Funds' offering memoranda and in accordance with the Funds' organizational documents and investment management agreements (collectively, the "Governing Documents"). In addition to day-to-day trading responsibilities, TPRV bears primary responsibility for making investment decisions for the Funds and developing investment strategies consistent with the objectives, policies and restrictions applicable to the Funds. A description of our investment strategies is provided in Item 8. In managing the investment program for the Funds as a whole, TPRV does not provide specifically tailored advice to investors in the Funds. Any investment restrictions applicable to the Funds are set forth in the Governing Documents of the Funds.

As of December 31, 2019, TPRV's assets under management were approximately \$779.5 million, all of which are managed on a discretionary basis.

## **Item 5        Fees and Compensation**

As compensation for its investment management services, TPRV receives a management fee based on the assets under management of each of the Feeder Funds. The management fee is set forth in the Funds' Governing Documents. TPRV retains the discretion to waive fees for one or more investors, in whole or in part, without notification to other investors, however, and certain investors in one or more Funds have negotiated for and pay reduced management fees.

Management fees are payable quarterly in advance and generally are paid at the Master Fund level. The Master Fund pays the management fee to TPRV and deducts a corresponding amount from the capital accounts maintained by the Feeder Funds in the Master Fund. Each investor's share of the management fee is, in turn, deducted from the investor's capital account balance in the Feeder Funds, or, in the case of investors in the Offshore Feeder, offset against the net asset value underlying their shares.

The capital account of an investor admitted to a Fund on a day other than the first day of the calendar quarter is charged a pro rata portion of the management fee corresponding to the number of months remaining in the quarter. Investor withdrawals occur on the last day of the quarter. In the unlikely event that an investor were to be permitted to withdraw as of a date other than the last day of the quarter, no portion of the management fee would be refunded, but the portion of the management fee attributable to the number of complete months remaining in the quarter following such withdrawal would not be deducted from the withdrawn investor's capital account.

In addition to the management fee, investors bear their allocable share of expenses associated with the operations of the Funds and the protection of Fund assets. These expenses include:

- all transaction costs relating to the Funds' investments (including, without limitation, expenses related to the investments of the Funds' assets, such as brokerage commissions and other transaction costs (brokerage commissions are also discussed in Item 12), research (including, without limitation, Bloomberg services and other market data services and other data associated with the calculation and distribution of the Fund's net asset value), due diligence and negotiation expenses (including related travel expenses), whether or not the related investment is consummated, clearing and settlement charges, custodial fees, margin and interest expenses and commitment fees on debit balances or borrowings, borrowing charges on securities sold short, and any issue or transfer taxes chargeable in connection with any securities transactions);
- consulting, legal and other professional fees relating to potential and actual investments; directors' fees, expenses of professionals providing services to the Funds, including legal, audit and tax preparation expenses; the fees and expenses of the advisory board of the Master Fund; accounting fees; administration fees and expenses (including fees and expenses of the Funds' administrator, including middle office functions, anti-money laundering compliance and preparation of regulatory filings for the Funds);
- fees and expenses for risk management services, including risk management software (including, without limitation FrontArena software); insurance expenses, including costs of any liability insurance obtained on behalf of the Funds (including, without limitation, directors and officers insurance);
- organizational expenses (which may be amortized); regulatory costs and expenses (including filing and license fees and preparation and submission of filings such as Form PF); costs of reporting and providing information to investors; any entity-level taxes;
- costs of any litigation or investigation involving Fund activities, indemnification expenses, any extraordinary expenses;

and all other costs and expenses related to the Funds' business and operations. It is anticipated that most investment-related and other expenses will be incurred by the Master Fund; in such case, each of the Onshore Feeder and the Offshore Feeder is responsible for its pro rata portion of such expenses.

These expenses are deducted from the capital accounts of investors (or reflected in the net asset value of the Offshore Feeder) at the end of the fiscal period in which they are accrued by the Funds (typically monthly).

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

In addition to the management fee paid to TPRV, investors in the Funds make an annual performance-based allocation of net profit to an entity affiliated with TPRV that serves as the general partner of the Master Fund and Onshore Feeder (the “General Partner”) and to our Strategic Investor. Our “Strategic Investor” is an investor not affiliated with TPRV that has made a substantial investment in the Funds and, in consideration therefor, has been granted certain rights and is subject to certain obligations that are different from those generally provided to other investors pursuant to an agreement with TPRV, the Funds and certain affiliates of TPRV (the “Strategic Investment Agreement”).

A portion of net profits initially allocated to each investor’s capital account is reallocated to the capital accounts of the General Partner and Strategic Investor as of the end of each fiscal year (or the close of any shorter period ending upon an investor’s full or partial withdrawal). The reallocation takes place at the Master Fund level where capital accounts corresponding to each investor’s capital account in the Onshore Feeder and/or share position in the Offshore Feeder are maintained for structural reasons. For investors in the Offshore Feeder, this reallocation is reflected in a corresponding reduction to the net asset value of each investor’s shares in the Offshore Feeder.

This performance allocation fees are subject to loss recovery provisions, commonly known as “high water mark” provisions, and are more particularly described in the Funds’ Governing Documents. TPRV retains the discretion to waive or alter the performance allocation for one or more investors, without notification to other investors, and certain investors in the Funds pay performance allocation at a reduced rate.

It is important to note that the performance allocation is based, in part, on unrealized investment gains that may never be realized in the event of adverse changes in the value of such investments. Such compensation arrangements create an incentive for TPRV, an affiliate of the General Partner, to make investments that are riskier or more speculative than would be the case if such arrangement were not in effect. Valuation determinations made by TPRV, subject to the overall direction of the General Partner, are conclusive and binding and affect the amount of the management fee and performance allocation owed by investors.

While not currently part of our business, TPRV recognizes that management of multiple funds or accounts creates (1) an incentive to favor client accounts with performance fee/allocation arrangements over accounts that are not charged, or from which an affiliate will not receive, a performance fee/allocation (e.g., because the fund is below its high water mark); and (2) an incentive to favor client accounts from which an affiliate will receive a greater performance fee/allocation over accounts from which an affiliate will receive a lesser performance fee/allocation. If TPRV were to manage additional accounts with different fee structures in the future, TPRV would adopt trade allocation policies designed to allocate investments in a fair and equitable manner.

## **Item 7            Types of Clients**

TPRV provides investment management services and advice to the Funds. Underlying investors in the Funds include endowments, other investment funds, pension funds, family offices, financial institutions and high net worth individuals. Generally, each underlying investor in a Fund must be an “accredited investor” as defined in Regulation D under the Securities Act of 1933, as amended, and a “qualified purchaser” as defined in the Investment Company Act of 1940, as amended (the “1940 Act”). Certain

employees of TPRV who qualify as “knowledgeable employees” under Rule 3c-5 under the 1940 Act may be permitted to invest directly or indirectly in the Funds. The Governing Documents of each Fund contain minimum amounts for investment by prospective investors in such Funds, which may be waived by TPRV.

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

### **Investment Strategies and Methods of Analysis**

TPRV’s investment objective is to provide competitive risk adjusted returns by opportunistically employing relative value strategies across fixed income, equity, foreign exchange, and commodity markets. Relative value strategies are focused on market mispricings between two or more assets and/or derivatives, whose value is expected to return to normal over a period of time (often times a few months to a year). Returns are expected to demonstrate low correlation to both the outright equity and fixed income markets.

In addition to its focus on implementing relative value strategies, TPRV will also cause the Funds to invest in long volatility positions directly. In general, these positions are intended to protect the Funds’ portfolio during times of market stress – periods when the relative value strategies are likely to be performing negatively. TPRV takes an opportunistic approach, searching for the most attractive relative value and long volatility opportunities while seeking to minimize exposure to macro risk.

In conjunction with its opportunistic approach, TPRV aims to manage a diversified portfolio of investments such that no one strategy represents a significant portion of risk capital. In addition to diversifying across the fixed income, equity, foreign exchange, and commodities markets, TPRV also seeks diversification across geography and products, although there is no assurance that the Funds’ investments will be adequately diversified in all market conditions.

TPRV has developed an investment process that it believes is well defined and repeatable to permit active management. This investment process involves both quantitative and qualitative analysis. A bottom-up approach is followed to construct the portfolio, with quantitative screens used to identify dislocations followed by a qualitative assessment to make final investment decisions on investments. Relative value strategies are researched and then implemented across various markets, geographies and products. Automation of trading signals also allows TPRV to identify “micro relative value” trades across asset classes. TPRV determines expected fair value based on our investment team’s in-depth research and analysis. Some of the factors we typically consider when analyzing a strategy include:

- Market forces driving the mispricing;
- Analysis of a relationship within its historical distribution;
- Historical volatility of the strategy;
- How a position carries over time in an unchanged market scenario;
- How a position rolls over time as the assets being traded decrease in duration;
- Market liquidity of the products being considered;
- Potential stress loss of the position and a determination if that loss is bounded or not; and

- A strategy's correlation with the portfolio as a whole.

There is no assurance that our strategy and methodologies will be successful over any given period of time.

## **Risk of Loss**

Investing is speculative and involves significant risks, include the risk of total loss of invested capital. The following information is not intended to be a summary of all of the risks associated with an investment in the Funds, but rather a discussion of some specific risks associated with our strategies and methodologies or otherwise particular to TPRV's business, and some specific risks associated with the securities in which TPRV typically invests, in each case, that we believe are important for prospective investors to consider. However, prospective investors should carefully review the expanded summary of risks associated with an investment in the Funds in the relevant Fund's Governing Documents.

## **Risks Related to Strategies, Methodologies and Business Generally**

**Investment and Trading Risks.** An investment in the Funds involves a high degree of risk, including the risk that the entire amount invested may be lost. No guarantee or representation is made that TPRV's investment program will be successful. TPRV invests substantially all of the Funds' assets in securities and instruments that may be particularly sensitive to economic, market, industry, regulatory and other variable conditions. The markets in which TPRV expects to make investments have experienced and may in the future continue to experience significant volatility and losses. No assurance can be given as to when or whether adverse events might occur that could cause immediate and significant losses to the Funds. Additionally, TPRV may utilize a wide variety of instruments and interests in respect of the Funds' investment activities, including, without limitation, swaps, futures, government bonds, other fixed income instruments, repos/reverse repos, bilateral derivatives, exchange traded derivatives, exchange traded futures and options contracts, and spot and forward foreign exchange. Such instruments and interests carry inherent risks that may adversely affect the performance of the Funds. Such risks include, without limitation, transactions that have the effect of creating inherent leverage, and "counterparty risks" that include the risk that a counterparty (including, without limitation, broker-dealers and futures commission merchants) will not settle a transaction in accordance with its terms and conditions because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thereby causing the Funds to suffer a loss.

**Relative Value Risk.** TPRV will seek to achieve the investment objective by opportunistically employing relative value strategies. This involves identifying market mispricings between two or more assets and/or derivatives whose values are expected to return to normal over a period of few months to a year or more. The identification of mispricing risk is a difficult task, and there is no assurance that such opportunities will be successfully recognized or acquired. Furthermore, although such investments offer opportunities for above-average returns, these investments involve a high degree of risk and can result in substantial losses.

**Concentration of Investments.** The Funds' portfolios may, from time to time, be concentrated in a particular type of security, asset class, industry, geographic location or market capitalization. This may be the result of the Funds' opportunistic investing, external market forces or the lack of liquidity in one security as compared to other securities the Funds hold. Losses incurred in a position making up a significant percentage of the Funds' capital could have a material adverse effect on the Funds' overall



financial condition. This limited diversity could expose the Funds to significantly greater volatility than a more diversified portfolio.

**Valuation.** Valuations of certain of the Funds' securities and other investments may involve uncertainties and judgmental determinations, and if such valuations prove incorrect, the net asset value of the Funds could be adversely affected. Many of the Funds' investments are not listed on established exchanges, which makes a determination of the fair market value of such securities more difficult to accurately determine. TPRV has directed its fund administrator to use a combination of external and internal pricing and valuation services (including third-party valuation services and industry-standard models) to value the Funds' positions, but the administrator may at times rely upon the value provided by the counterparty to the trade. Furthermore, even in the case of listed securities or derivative instruments referencing listed securities, TPRV may determine that the listed prices of such securities as determined in accordance with the valuation procedures set forth in the Funds' governing documents do not reflect the actual value of the securities, and we may make such appropriate and reasonable modifications thereto to reflect the value of the securities, including to reflect liquidity conditions or other factors affecting such value. Third-party pricing information may not be available at times for certain instruments or securities. Valuation determinations made by TPRV, which will be conclusive and binding, may affect the amount of withdrawal proceeds payable to investors and the amount of management fees and performance allocation payable by investors.

**General Economic and Market Conditions; Market Disruption.** The success of the Funds' activities will be affected by general economic and market conditions, such as interest rates, availability of credit, credit defaults, inflation rates, economic uncertainty, changes in laws (including laws relating to taxation of the Funds' investments), trade barriers, currency exchange controls, and national and international political circumstances (including wars, terrorist acts or security operations) as well as epidemics and pandemics (including, as of the date of this brochure, the outbreak of a novel and highly contagious form of coronavirus ("COVID-19")). These factors may affect, among other things, the level and volatility of securities' prices, the liquidity of the Funds' investments and the availability of certain securities and investments. Volatility or illiquidity could impair the Funds' profitability or result in losses. The Funds may maintain substantial trading positions that can be materially adversely affected by the level of volatility in the financial markets – the larger the positions, the greater the potential for loss.

The Funds may incur major losses in the event of disrupted markets and other extraordinary events in which historical pricing relationships become materially distorted. The risk of loss from pricing distortions is compounded by the fact that many positions in disrupted markets become illiquid, making it difficult or impossible to close out positions against which the markets are moving. The financing available to the Funds from their banks, dealers and other counterparties will typically be reduced in disrupted markets. Such a reduction may result in substantial losses to the Funds. Market disruptions may from time to time cause dramatic losses for the Funds, and such events can result in otherwise historically low risk strategies performing with unprecedented volatility and risk.

**Dodd-Frank Wall Street Reform and Consumer Protection Act.** The Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act"), which aims to reform various aspects of the U.S. financial markets, covers a broad range of market participants including investment advisers such as TPRV. While these regulations are intended to improve the resiliency of the financial system and, in particular, of systemically important financial institutions, such regulations are also likely to continue to increase costs, increase margin requirements, and decrease liquidity, and could operate to increase

counterparty risk, limit the Funds' trading opportunities and alter the capital markets in a manner that adversely affects the Funds' returns.

**Difficulty of Locating Suitable Investments.** There can be no assurance that there will be a sufficient number of suitable investment opportunities to enable the Funds to maintain our targeted levels of risk exposure with opportunities that satisfy the Funds' investment objectives or that such investment opportunities will lead to completed investments by the Funds. The availability of investment opportunities generally will be subject to competition from other investment entities.

**Competition.** The securities industry and the varied strategies in which we engage are extremely competitive and each involves a degree of risk. The Funds compete with firms, including many of the larger securities and investment banking firms, which have substantially greater financial resources and research staffs.

**Limited Operating History and Dependence on Key Personnel.** Although the Principals have substantial investment experience, TPRV and the Funds have limited histories upon which a prospective investor may base its investment decision. The success of the Funds will depend upon the ability of the Principals to develop and implement investment strategies that achieve the Funds' investment objectives. If a Principal were to become unable to participate in the management of TPRV, the consequences to the Funds could be material and adverse. The past performance of the Funds, TPRV, the Principals, and any accounts previously managed by the Principals is no guarantee of future performance.

**Strategic Investor.** TPRV and the Funds have entered into a Strategic Investor Agreement with the Strategic Investor pursuant to which the Strategic Investor is granted certain rights in exchange for a significant capital contribution to the Funds. Among other rights, the Strategic Investor has special information rights. Accordingly, the Strategic Investor will have access to more information than other investors in the Funds, and will be permitted to withdraw capital upon the occurrence of certain material events while the other investors might not receive notice of such events or any additional withdrawal or redemption rights. Given the significant amount of the Strategic Investor's investment in the Funds (which may be increased by it and its affiliates), a withdrawal or redemption of all or a portion of such investments may have a material adverse effect on the portfolios of the Funds, which may result in losses to other investors. The Master Fund may be required to liquidate positions at adverse times and prices to satisfy the Strategic Investor's withdrawal or redemption request. The Strategic Investor has no obligations or responsibilities to the Funds, other than providing the initial investment.

**Supplementary Agreements with Investors.** To the extent permitted by applicable law, TPRV and/or the Funds, may enter into, and have entered into, side letters, or supplementary agreements, with some investors which in some cases provide for terms of investment that are more favorable than the terms provided to other investors in the Funds. Our entry into supplementary agreements does not require the vote or consent of any investor unless such supplementary agreement constitutes or requires an amendment to a Fund's Governing Documents requiring such vote or consent. In addition, the terms of any supplementary agreements will not be disclosed to other investors unless we, in our sole discretion, agree otherwise.

**Systems Risk.** TPRV relies on computer programs, software code, our internal technology infrastructure and services, and data provided by third parties to trade, clear and settle securities and other transactions, to evaluate certain securities or situations based on real-time or delayed trading

information, to monitor and value the Fund's portfolio, and to generate risk management and other reports that are critical to the oversight of the Fund's activities. In addition, certain of the Funds' and our operations interface with or depend on systems operated by third parties, including futures commission merchants ("FCMs"), brokers and market counterparties and their sub-custodians and other service providers, and we may not be in a position to verify the risks or reliability of such third-party systems. These third-party programs or systems may be subject to certain defects, failures or interruptions, including, but not limited to, those caused by computer "worms," viruses and power failures. Any such defect or failure could have a material adverse effect on the Funds. For example, such failure could cause errors in the confirmation of trades, failed trade settlements or settlements substantially delayed beyond the date of confirmation, inaccuracies in accounting, recording or processing of trades, and inaccuracies in reports critical to TPRV's ability to monitor the Funds' investment portfolio and risk profile.

**Cybersecurity Risk.** With the increased use of technologies such as the Internet to conduct business, the TPRV and the Funds may be susceptible to operational, information security and related risks. In general, cyber incidents can result from deliberate attacks or unintentional events. Cyber-attacks include, but are not limited to, gaining unauthorized access to digital systems (*e.g.*, through "hacking" or malicious software coding) for purposes of misappropriating assets or sensitive information, corrupting data, or causing operational disruption. Cyber-attacks may also be carried out in a manner that does not require gaining unauthorized access, such as causing denial-of-service attacks on websites (*i.e.*, efforts to make network services unavailable to intended users). Cyber incidents affecting TPRV's and other service providers (including, but not limited to, TPRV's and the Funds' accountants, custodians, transfer agents and financial intermediaries) have the ability to cause disruptions and impact business operations, potentially resulting in financial losses, interference with the Funds' ability to value its securities or other investments, impediments to trading, the inability of investors to transact business, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs. Similar adverse consequences could result from cyber incidents affecting issuers of securities in which the Funds invest, counterparties with which the Funds and TPRV engage in transactions, governmental and other regulatory authorities, exchange and other financial market operators, banks, brokers, dealers, insurance companies and other financial institutions (including financial intermediaries and service providers for the investors) and other parties. In addition, substantial costs may be incurred in order to prevent any cyber incidents in the future. While TPRV's and the Funds' service providers have established business continuity plans in the event of, and risk management systems to prevent, such cyber incidents, there are inherent limitations in such plans and systems including the possibility that certain risks have not been identified. Furthermore, TPRV and the Funds cannot control the effectiveness of the cyber security plans and systems put in place by its service providers or any other third parties whose operations may affect TPRV, the Funds or the Funds' investors.

## **Risks Related to Portfolio Securities**

**Futures Contracts.** The value of futures depends upon the price of the securities, commodities, instruments, indices or other financial measures underlying them. The prices of futures are highly volatile, and price movements of futures contracts can be influenced by, among other things, interest rates, inflation, foreign exchange rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. In addition, investments in futures are also subject to the risk of the failure of any of the exchanges on which the Funds' positions trade or of its clearing houses

or futures commission merchants. Futures positions may be illiquid because certain exchanges limit fluctuations in certain futures contract prices during a single day by regulations referred to as “daily price fluctuation limits” or “daily limits.” Under such daily limits, during a single trading day no trades may be executed at prices beyond the daily limits. Once the price of a particular futures contract has increased or decreased by an amount equal to the daily limit, positions in that contract can neither be taken nor liquidated unless traders are willing to effect trades at or within the limit. This could prevent the Funds from promptly liquidating unfavorable positions and subject the Funds to substantial losses, or it could prevent the Funds from entering into desired trades. In extraordinary circumstances, a futures exchange, the CFTC or another similar non-U.S. regulatory body or agency could suspend trading in a particular futures contract, or order liquidation or settlement of all open positions in such contract.

**Forward Trading.** The Funds enter into forward contracts with counterparties. Forward contracts and options thereon, unlike futures contracts, are not traded on exchanges and are not standardized; rather banks and dealers act as principals in these markets, negotiating each transaction on an individual basis. Forward and “cash” trading is substantially unregulated; there is no limitation on daily price movements, and speculative position limits are not applicable. The principals who deal in the forward markets are not required to continue to make markets in the currencies and commodities they trade, and these markets can experience periods of illiquidity, sometimes of significant duration. There have been periods during which certain participants in these markets have refused to quote prices for certain currencies or commodities or have quoted prices with an unusually wide spread between the price at which they were prepared to buy and that at which they were prepared to sell. Disruptions can occur in any market traded by the Funds due to unusually high trading volume, political intervention or other factors. The imposition of controls by governmental authorities might also limit such forward (and futures) trading to less than that which TPRV would otherwise recommend, to the possible detriment of the Funds. Market illiquidity or disruption could result in major losses to the Funds.

**Foreign Exchange.** Spot and forward prices of currency are highly volatile. Price movements for spot and forward contracts may be influenced by, among other things, changing supply and demand relationships, trade, fiscal, monetary, and exchange control programs and policies of governments, domestic and foreign political and economic events, changes in domestic and foreign interest rates and rates of inflation, currency devaluations and revaluations and emotions of the marketplace. In addition, governments from time to time intervene directly and by regulation in certain markets. Such intervention is often intended to influence prices directly. None of these factors can be controlled by TPRV, and no assurance can be given that TPRV’s advice will result in profitable trades for the Funds or that the Funds will not incur substantial losses. Currency spot and forward contracts are not traded on exchanges. Rather, banks and dealers act as principals in these markets, negotiating each transaction on an individual basis. Neither the CFTC nor banking authorities currently regulate trading in forward contracts on currencies, nor is there a limitation on the daily price movements of such forward contracts. Speculative position limits are not applicable to currency forward trading. The Funds will be subject to the risk of the inability or refusal to perform on the part of the principals or agents or through whom such forward contracts are traded.

**Swap Transactions.** The Funds will enter into various types of swap agreements which may include interest rate swaps, basis swaps, cross currency basis swaps, total return swaps, volatility and variance swaps, correlation swaps and dividend swaps. Swap agreements are typically two-party contracts entered into primarily by institutional investors for periods ranging from a few weeks to many years. In a standard “swap” transaction, two parties agree to exchange the returns (or the differential in rates of return) earned or realized on particular predetermined investments, instruments, or indices. The gross

returns to be exchanged or “swapped” between the parties are generally calculated with respect to a “notional amount”. Whether the Funds’ use of swap agreements will be successful will depend on TPRV’s ability to select appropriate transactions for the Funds. Swap transactions may be highly illiquid. Moreover, the Funds bears the risk of loss of the amount expected to be received under a swap agreement in the event of the default or insolvency of its counterparty, although most interest rate swaps are expected to be cleared on established exchanges. Many swap markets are relatively new and still developing. It is possible that developments in the swap markets, including potential government regulation, could adversely affect the Funds’ ability to terminate existing swap transactions or to realize amounts to be received under such transactions. Swaps and certain other custom instruments are subject to the risk of non-performance by the swap counterparty, including risks relating to the creditworthiness of the swap counterparty.

Total return swaps are another form of swap transaction that the Funds may utilize in its investment program. A total return swap allows the total return receiver to receive the change in market value of an asset (whether a security, basket of securities, interest rate, form of debt, currency, commodity, or other asset) from the total return payer in return for paying a floating or fixed interest-rate on a predetermined amount. The total return payer is synthetically short, and the total return receiver is synthetically long. Thus, total return swap agreements may effectively add leverage to the Funds’ portfolio because, in addition, to its total net assets, the Funds would be subject to investment exposure on the notional amount of the swap agreement.

**Exchange Rate Fluctuations; Currency Considerations.** The Funds will invest in securities denominated in currencies other than the U.S. dollar and hold active currency positions that are denominated in currencies other than the U.S. dollar. As a result, the Funds will be exposed to currency exchange risk. Changes in exchange rates between currencies or the conversion from one currency to another will cause the value of the Funds’ investments to diminish or increase. Currency exchange rates may fluctuate over short periods of time and are generally determined by supply and demand in the currency exchange markets and the relative merits of investments in different countries, actual or perceived changes in interest rates and other complex factors. Currency exchange rates can be affected unpredictably by intervention (or the failure to intervene) by governments or central banks, or by currency controls or political developments. Furthermore, the Funds may incur costs in connection with conversions between various currencies. Currency exchange dealers realize a profit based on the difference between the prices at which they are buying and selling various currencies. Thus, a dealer normally will offer to sell currency to the Funds at one rate, while offering a lesser rate of exchange should the Funds desire immediately to resell that currency to the dealer. The Funds will conduct currency exchange transactions either on a spot (i.e., cash) basis at the spot rate prevailing in the currency exchange market, or through entering into forward or options contracts to purchase or sell non-U.S. currencies. It is anticipated that most of the Funds’ currency exchange transactions will occur at the time securities are purchased and will be initiated primarily for the purpose of hedging exposure to the underlying currency.

**Non-U.S. Securities.** The Funds expect to invest in securities and instruments of non-U.S. issuers, including issuers located in emerging markets. The Funds’ investments in securities and instruments in non-U.S. markets involve substantial risks often not typically associated with investing in U.S. securities. Investments in non-U.S. securities may be adversely affected by changes in currency rates or exchange control regulations, changes in governmental administration or economic or monetary policy (in the United States and abroad) or changed circumstances in dealings between nations. Changes in foreign currency exchange rates relative to the U.S. dollar will affect the U.S. dollar value of the Funds’ assets

denominated in that currency and thereby will have an impact upon the Funds' total return on such assets. The Funds may utilize options and forward contracts to hedge against currency fluctuations, but there can be no assurance that such hedging transactions will be effective.

Investments in non-U.S. securities will also be subject to risks relating to political and economic developments abroad, including the possibility of expropriations or confiscatory taxation, limitations on the use or transfer of the Funds' assets and the effects of foreign social, economic or political instability. Securities of non-U.S. issuers may be less liquid than comparable securities of U.S. issuers and, as such, their price changes may be more volatile. Furthermore, foreign exchanges and broker-dealers are generally subject to less government and exchange scrutiny and regulation than their American counterparts. Brokerage commissions, dealer concessions and other transaction costs may be higher on foreign markets than in the U.S. In addition, differences in clearance and settlement procedures on foreign markets may occasionally lead to delays in settlements of the Funds' trades effected in such markets.

Repatriation of investment income, capital and the proceeds of sales by foreign investors may require governmental registration and/or approval. The Funds could be adversely affected by delays in or a refusal to grant any required governmental registration or approval for such repatriation or by withholding taxes imposed by the government of an emerging country. Taxation of dividends, interest and capital gains received by non-residents varies among foreign countries and, in some cases, is comparatively high. In addition, some countries have tax laws and procedures that may permit retroactive taxation so that the Funds could in the future become subject to local tax liability that we did not reasonably anticipate in conducting our investment activities or valuing our assets.

**Short Sales.** TPRV engages in short sales as part of its relative value strategy. The Funds may also engage in short sales in connection with repurchase agreements or hedging transactions, each discussed below. Short sales are sales of securities that the short seller borrows but does not actually own, usually made with the expectation that the prices of the securities will decrease and the short seller will be able to make a profit by purchasing the securities at a later date at the lower prices. In TPRV's case, we often hold a long position in one instrument and a short position in a related instrument, with the expectation that the prices of the respective instruments will diverge or converge, i.e., that the spread between the two instruments will widen or narrow, over the life of the trade. If the price of a security sold short increases prior to the time we purchase it for return to the lender, and that risk is not mitigated by a corresponding move in the long side of a relative value trade, the Funds could incur a potentially unlimited loss on a short sale. A short sale presents greater risk than purchasing a security outright since there is no ceiling on the possible cost of replacing the borrowed security, whereas the risk of loss on a long position is limited to the purchase price of the security. Closing out a short position may cause the security to rise further in value creating a greater loss.

Short sale transactions have been subject to increased regulatory scrutiny in response to market events in recent years, including the imposition of restrictions on short selling certain securities and reporting requirements. The Funds' ability to execute a short selling strategy may be materially adversely impacted by temporary and/or new permanent rules, interpretations, prohibitions, and restrictions adopted in response to these adverse market events. Temporary restrictions and/or prohibitions on short selling activity may be imposed by regulatory authorities with little or no advance notice and may impact prior trading activities of the Funds. Additionally, the SEC, its foreign counterparts, other governmental authorities and/or self-regulatory organizations may at any time promulgate permanent rules or interpretations consistent with such temporary restrictions or that impose additional or

different permanent or temporary limitations or prohibitions. The SEC might impose different limitations and/or prohibitions on short selling from those imposed by various non-U.S. regulatory authorities. These different regulations, rules or interpretations might have different effective periods.

**Hedging Transactions.** TPRV generally seeks to maintain a neutral stance relative to macro factors, such as equity and treasury yield levels. However, TPRV may attempt to hedge some of the market and credit risks inherent in our strategy from time to time, such as when we determine the exposure to such macro factors to be excessive, and we will generally seek to utilize various hedging strategies to protect the U.S. dollar value of the Funds' investments. When we decide to hedge one or more positions, our success will be based on our ability to correctly assess the degree of correlation between the performance of the hedging instrument and the performance of the investment being hedged. Since the characteristics of many securities change as markets change or time passes, the success of a hedge will also be subject to our ability to periodically recalculate, readjust, and execute the hedge in an efficient and timely manner. While the Funds may enter into hedging transactions to seek to reduce risk, such transactions may result in a poorer overall performance for the Funds than if they had not engaged in any such hedging transactions. In other cases, the Funds may not be "hedged" against market fluctuations, and losses that could have been mitigated may result. When TPRV desires to hedge a position in the Funds' portfolio, it might not be able to do so because a hedge may not be available; it may be too costly in light of the likelihood of the possible risk actually occurring or the risk simply could not be reasonably anticipated.

**Fixed Income Securities.** The Funds may invest in bonds and other fixed income securities of U.S. and non-U.S. issuers, including, without limitation, debt securities issued or guaranteed by the U.S. government or one of its agencies or instrumentalities; debt securities issued or guaranteed by a non-U.S. government or one of its agencies or instrumentalities; bonds, notes and debentures issued by corporations; and commercial paper. The values of fixed income securities in which the Funds invest will fluctuate in response to changes in interest rates and, in certain cases, inflation. In addition, the values of certain fixed income securities can fluctuate in response to changes in perceptions of creditworthiness, political stability or soundness of economic policies. Fixed income securities are subject to the risk of the issuer's inability to meet principal and interest payments on its obligations (i.e., credit risk) and are subject to price volatility due to such factors as interest rate and inflation sensitivity, market perception of the creditworthiness of the issuer and general market liquidity (i.e., market risk). For fixed income securities used as part of the Funds' relative value trading program, we may seek to hedge against the risks mentioned above. However, there can be no assurance that we will succeed in doing so.

**Risks of Investments in Options.** Investing in options can provide greater potential for profit or loss than an equivalent investment in the underlying asset. The value of an option may decline because of a change in the value of the underlying asset relative to the strike price, the passage of time, changes in the market's perception as to the future price behavior of the underlying asset, or any combination thereof. In the case of the purchase of an option, the risk of loss of an investor's entire investment (i.e., the premium paid plus transaction charges) reflects the nature of an option as a wasting asset that may become worthless when the option expires. Where an option is written or granted (i.e., sold) uncovered, the seller may be liable to pay substantial additional margin, and the risk of loss is unlimited, as the seller will be obligated to deliver, or take delivery of, an asset at a predetermined price which may, upon exercise of the option, be significantly different from the market value. Over-the-counter options that we may use in our investment strategies generally are not assignable except by agreement between the parties concerned, and no party or purchaser has any obligation to permit such

assignments. Certain of the over-the-counter market for options may be illiquid, particularly for relatively small transactions.

**Repurchase and Reverse Repurchase Agreements.** The Funds may enter into repurchase and reverse repurchase agreements. When the Funds enter into a reverse repurchase agreement, the Funds “sell” securities issued by the U.S. or a non-U.S. government, or agencies thereof, to a broker-dealer or financial institution, and agree to repurchase such securities for the price paid by the broker-dealer or financial institution, plus interest at a negotiated rate. In a repurchase transaction, the Funds “buys” securities issued by the U.S. or a non-U.S. government, or agencies thereof, from a broker-dealer or financial institution, subject to the obligation of the broker-dealer or financial institution to repurchase such securities at the price paid by the Funds, plus interest at a negotiated rate. The use of repurchase and reverse repurchase agreements by the Funds involves certain risks including that the seller under a reverse repurchase agreement defaults on its obligation to repurchase the underlying securities. Disposing of the security in such cases may involve costs to the Funds. In the case of reverse repurchase transactions, the Funds may be prevented or delayed from recovering the securities they have sold in such a transaction, and it is possible, in a receivership, resolution, bankruptcy or liquidation scenario, that the Funds may not be able to substantiate their interest in the underlying securities. Reverse repurchase agreements and repurchase agreements have the effect of creating leverage, which involves risks, as discussed above.

**Other Derivative Investments.** The Funds invest in derivative instruments. Derivative instruments or “derivatives” include futures, options, structured securities and other instruments and contracts that are derived from, or the value of which is related to, one or more underlying securities, financial benchmarks, currencies or indices. Derivatives allow an investor to hedge or speculate upon the price movements of a particular security, financial benchmark currency or index at a fraction of the cost of investing in the underlying asset. The value of a derivative depends largely upon price movements in the underlying asset. Therefore, many of the risks applicable to trading the underlying asset are also applicable to derivatives of such asset. However, there are a number of other risks associated with derivatives trading. For example, because many derivatives are leveraged, and thus provide significantly more market exposure than the money paid or deposited when the transaction is entered into, a relatively small adverse market movement may expose the Funds to the possibility of a loss exceeding the original amount invested. Derivatives may also expose investors to liquidity risk, as there may not be a liquid market within which to close or dispose of outstanding derivatives contracts. Swaps and certain options and other custom instruments are subject to the risk of non-performance by the swap counterparty, including risks relating to the creditworthiness of the swap counterparty.

**Illiquid Securities; Designated Investments.** TPRV does not anticipate that the Funds will make investments that are illiquid, restricted or difficult to value such that they should be included in a “side pocket”. However, in certain circumstances, general economic or market conditions may result in certain investments held by the Funds becoming illiquid, restricted or difficult to value such that they should be, subject to the Funds’ advisory board’s approval or disapproval, treated as “Designated Investments” in order to separately account for such assets from the other assets of the Funds for the benefit of the Partners at the date of such establishment. In such circumstances, the Funds have the authority to establish additional classes of interests, series of interests or segregated accounts with respect to one or more Designated Investments. Such Designated Investments may have to be held for a substantial period of time before they can be liquidated, if at all. Market prices for such Designated Investments are often volatile and may not be ascertainable. The resale of restricted and illiquid



securities often may have higher brokerage charges. Designated Investments typically represent capital not available for withdrawal by investors. Such investments may be difficult to value.

**Counterparty Risk.** Some of the markets in which the Funds may affect their transactions are “over-the-counter” or “OTC” markets. The participants in such markets are typically not subject to credit evaluation and regulatory oversight as are members of “exchange based” markets. This exposes the Funds to the risk that a counterparty will not settle a transaction in accordance with its terms and conditions because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus causing the Funds to suffer a loss. Such “counterparty risk” is accentuated for contracts with longer maturities where events may intervene to prevent settlement, or where the Funds have concentrated their transactions with a single or small group of counterparties. The Funds are not restricted from dealing with any particular counterparty or from concentrating any or all of their transactions with one counterparty. Pursuant to the Dodd-Frank Act, some derivatives transactions will be subject to mandatory clearing and will also be subject to the margin requirements set forth by the clearing house. The additional margin, capital and collateral obligations may increase the cost of derivatives transactions and thereby potentially decrease the profitability of certain positions. In some cases, counterparty risk is also enhanced by new rules in the United States, the European Union and other jurisdictions that limit the ability of the Funds to close out their derivative positions and demand payment in the event of certain insolvency-related defaults of their dealer counterparties.

**Futures Commission Merchants.** The Funds enter into transactions to purchase, hold, sell, clear and settle investments, with or through FCMs. In connection with their role accepting and soliciting orders for futures contracts, options for futures contracts and swaps, FCMs are required to be registered with the CFTC and are subject to CFTC rules and regulations, including with respect to minimum capital requirements, segregation of customer accounts, margin lending rules, customer disclosure requirements and filing requirements. FCMs are also subject to the rules and regulations of the various clearing houses and exchanges of which they are members. The Funds’ investments may also be adversely affected if a FCM with which the Funds transacts decides to terminate its relationship with the Funds or call in any margin loans extended to the Funds. As active participants in the financial markets, FCMs are also subject to systemic risk as well as significant counterparty risk. A political or economic event affecting other participants in U.S. or global financial and commodities markets could have an adverse effect on the FCM’s financial viability and/or ability to successfully complete and execute transactions on behalf of the Funds. Although standardized clearing for derivatives is intended to reduce counterparty risk (for instance, it may reduce the counterparty risk to the dealers to which the Funds would have been exposed under OTC derivative instruments), it does not eliminate risk. Derivatives clearing may also lead to concentration of counterparty risk, namely in the clearinghouse and the Funds’ FCMs, subjecting the Funds to the risk that the assets of either of their FCMs are insufficient to satisfy all of the FCM’s payment obligations, leading to a payment default. The failure of a clearinghouse or FCM could have a significant impact on the financial system. Even if a clearinghouse does not fail, large losses could force significant capital calls on FCMs during a financial crisis, which could lead FCMs to default and thus worsen the crisis.

## **Item 9           Disciplinary Information**

There are no legal or disciplinary events that are material to a client’s (or investor’s) or a prospective client’s (or prospective investor’s) evaluation of TPRV’s advisory business or the integrity of our management.

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

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

Neither TPRV nor any of its management persons is registered, or has applied to register, as a futures commission merchant or associated person thereof. TPRV is registered as a commodity pool operator, however, and certain members of its management are registered as associated persons of a commodity pool operator. TPRV is exempt from registration with the CFTC as a commodity trading advisor.

Aside from the investment advisory and general partner relationships between TPRV and the General Partner, on the one hand, and the applicable Funds, on the other (including the associated fee arrangements discussed in Items 5 and 6 above), as well as the common control of TPRV and the General Partner by our Principals, neither TPRV nor any of its management persons has a relationship material to the business of TPRV or the Funds with any related person reportable under this Item. Material conflicts of interest associated with TPRV and the General Partner relationships mentioned are discussed in Items 6 and 11.

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

We have adopted a Code of Ethics that sets forth our commitment to the high legal and ethical standards of conduct dictated by our fiduciary, federal securities law and other regulatory obligations and applies to all of our employees and partners. The Code of Ethics includes policies and procedures relating to personal trading, gifts and entertainment involving business associates, outside activities, charitable donations as well as other potential or actual conflicts of interest. All employees and partners must acknowledge receipt of the Code of Ethics and report any violations of the Code to the Chief Compliance Officer.

As a general matter, employees are not permitted to conduct any transactions in “reportable securities” absent pre-approval by the Chief Compliance Officer. Permission to trade in commodities and derivative instruments is prohibited. Transactions in securities that are not “reportable securities” under the Advisers Act rules and trades made through approved fully managed accounts over which the employee exercises no discretion are not subject to the personal trading policy. The Chief Compliance Officer may grant exceptions to the policy, but exceptions are reserved for unusual circumstances and special situations where the risk of conflict and other regulatory and business risks are not present or appropriately circumscribed.

A copy of our Code of Ethics will be provided to any investor upon written request.

TPRV’s management of a single fund strategy and a single pool of assets under its current structure does not present the risk of conflict that arises when trades must be allocated among different managed accounts. In addition, TPRV’s structure supports our policies against principal transactions (acting as a principal in a trade with the Funds) and agency cross trades (acting as a broker in a trade between the Funds and another party).

## **Item 12      Brokerage Practices**

### **Broker Selection and Evaluation**

In keeping with our fiduciary duty to clients, we seek “best execution” in effecting trades for the Funds. In general, this means that we seek to execute transactions in such a manner that the total costs or proceeds and benefits to the Funds of each transaction are as favorable as possible under the circumstances. It is important to note that best execution is a qualitative standard; it is not measured solely by reference to the commission rate, price or spread. Paying a broker-dealer a higher price than that charged by another is appropriate when the difference in price is reasonably justified by the value of the broker-dealer services obtained for the Funds.

The various factors we are likely to consider in selecting a broker-dealer, both for purposes of establishing a trading relationship and in the context of a given transaction, include:

- competitiveness of price or commission rates and transaction costs in comparison with other brokers satisfying our overall selection criteria;
- responsiveness to TPRV communications and orders;
- ability to effect difficult trades and degree of skill required (due to size of order, market liquidity or other complicating factors);
- the broker-dealer’s clearance and settlement capabilities;
- the financial strength, integrity and stability of the broker;
- past history of prompt and reliable execution;
- operational efficiency with which transactions are effected;
- access to markets;
- access to capital to accommodate trades;
- ability to maintain confidentiality; and
- quality of sales coverage and depth of services provided (including research as well as product coverage).

Brokers-dealers are selected for trade execution on a transaction-by-transaction basis, typically following the solicitation of multiple quotes. On a quarterly basis, TPRV reviews various quantitative measures to evaluate the prior quarter’s trading activity and conducts a survey of members of our investment team and others to evaluate the quality and value of services provided by the broker-dealers with whom we have relationships. These items are discussed and/or disseminated among the group to inform the trading decisions of relevant members going forward.

### **Soft Dollars**

Where an investment adviser causes its clients to pay more than the lowest available commission to a broker-dealer in return for research or other non-execution products and services, the amount of such

excess payment is generally referred to as “soft dollars,” and the research and other products and services received in exchange for the higher commission rate are soft dollar benefits.

TPRV’s use of soft dollars is currently very limited, but TPRV does reserve the right to use soft dollars to pay for research and brokerage services so long as such usage meets the criteria of Section 28(e) of the Securities Exchange Act of 1934, as amended (“Section 28(e)”). Section 28(e) provides a “safe harbor” to investment managers that use commission dollars to obtain investment research and brokerage services that provide lawful and appropriate assistance to the investment manager in performing investment decision-making responsibilities. Conduct outside of the safe harbor afforded by Section 28(e) is subject to the traditional standards of fiduciary duty under state and federal law. Items that fall within the safe harbor, include, for example, research (including events such as research seminars and similar programs, but not any associated travel and accommodation expenses), computer analyses of securities portfolios, and analysis of economic factors, trends and political developments. Third party research is within the safe harbor as well, so long as SEC guidelines regarding responsibilities of the respective providers are observed.

As of the date of this brochure, TPRV does not have any soft dollar arrangements in place where a portion of the commission dollars we pay to a broker-dealer for Fund trades is allocated to one or more third-party research providers. To the extent that TPRV receives proprietary research services from our broker-dealers, consistent with the best execution analysis described above, we determine in good faith whether the commission rates we pay are reasonable in relation to the value of the research and brokerage services that the broker provides to the Funds as part of such analysis.

When TPRV uses client brokerage commissions (or markups or markdowns) to obtain research or other products or services, it receives a benefit because it does not have to produce or pay for the research, products or services. TPRV may have an incentive to select or recommend a broker-dealer based on its interest in receiving the research or other products or services, rather than on its clients’ interest in receiving most favorable execution. TPRV uses soft dollar benefits to service all clients’ accounts. TPRV does not seek to allocate soft dollar benefits to client accounts proportionately to the soft dollar credits the accounts generate.

The usage of soft dollars creates conflicts of interest. First, the use of externally-developed research, whether purchased with soft dollars or directly, supplements and may at times partially supplant the research we perform internally. Because the Funds are responsible for both research expenses and brokerage commissions, the cost of external research is borne by the Funds rather than TPRV regardless of the means of payment. Use of external research, however, obtained through soft dollars or otherwise, could be deemed to create a conflict of interest to the extent it creates an incentive for an adviser to rely on external research in place of hiring an additional employee of the adviser. Another potential conflict surrounding soft dollar usage arises when soft dollar credits generated by the trading of one account are applied to obtain research benefiting different or multiple accounts. While we manage the assets of the Funds as a single account, we may, in the future, manage additional investment vehicles and/or separately managed accounts. Even managing assets through a single account, we could apply soft dollar credits to the purchase of research services after significant time has passed since the transactions that generated such credits. In other words, the Fund investors who bore the cost of the expense of the research services may be different from those who reap the benefit.

## **Aggregation Across Client Accounts**

As of the date of this brochure, trading activities on behalf of the Funds are conducted only at the Master Fund level, thus on behalf of a single account. Therefore, TPRV does not aggregate orders for client accounts at this time.

## **Item 13      Review of Accounts**

### **Review of Client Accounts**

The Principals, together with our Chief Risk Officer, review the Funds' portfolio daily to monitor performance, consider whether the portfolio is optimized to achieve our investment objectives or whether adjustments are appropriate in light of changing market conditions, and evaluate risk. Our Chief Risk Officer meets regularly with the Principals to review portfolio performance, volatility, exposures, strategies, markets and risk allocation, and these matters are discussed in daily informal interactions with investment team members. In addition, our risk committee meets quarterly and communicates and/or gathers more frequently in the event that pre-set exposure and stress test limits, strategy drawdown and size levels, or portfolio drawdown levels are exceeded.

In addition, we may enter into, and have entered into, supplementary agreements, or side letters, with some investors, and we are party to agreements with our Strategic Investor, in each case, as described above. Our Chief Compliance Officer conducts periodic reviews of client accounts subject to supplementary agreements to confirm that we are heeding all applicable requirements.

### **Reports to Investors**

Investors in the Funds typically receive the following written reports:

- annually, an audited financial report prepared by a certified public accounting firm;
- monthly unaudited performance information, together with market and portfolio commentary, and a monthly risk report;
- month-end and mid-month estimates of performance; and
- annual tax information necessary for completion of the tax return.

Upon request, certain investors may receive additional information and reporting that other investors may not receive, and such information may affect an investor's decision to request a withdrawal or redemption in respect of its investment.

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

TPRV does not receive economic benefits from third parties (other than fees from clients) for providing investment advice or other advisory services to our clients, nor do we compensate any third party for client referrals. From time to time, representatives of TPRV may speak at or attend conferences and programs sponsored by prime broker for investors interested in investing in private funds. At times these conferences and programs provide opportunities by which TPRV is introduced to potential investors in

the Funds. These prime brokers are not compensated by TPRV, the Funds, or potential investors for providing such “capital introduction” opportunities.

## **Item 15 Custody**

Rule 206(4)-2 promulgated under the Advisers Act (the “Custody Rule”) and related regulation imposes certain obligations on registered investment advisers that have custody or possession of any funds or securities in which any client has any beneficial interest. While we do not maintain physical possession of client funds or securities, TPRV, together with its affiliated general partner entity, is authorized to withdraw funds or securities from the Funds’ accounts for the payment of management fees and other expenses, and our respective capacities as investment manager and general partner afford us overall access to Fund securities and funds. As a result of this access and authority, we are deemed to have custody of client funds and securities within the meaning of the Advisers Act.

We are required to maintain the funds and securities over which we have custody with a qualified custodian (except for securities that meet the privately offered securities exemption in the Custody Rule). Qualified custodians include banks, brokers, futures commission merchants and certain foreign financial institutions. The assets of the Funds, other than over-the-counter derivative instruments which are treated like privately offered securities and posted collateral which is outside of our custody, are held in accounts maintained by our custodial bank or, at times, may be held in accounts maintained with another qualified custodian such as a prime broker or futures commission merchant.

Advisers with custody of clients’ funds or securities are subject to additional requirements under Rule 206(4)-2 concerning reports to such clients (including underlying investors) and surprise examinations relating to such clients’ funds or securities. An adviser need not comply with such requirements with respect to pooled investment vehicles that are audited at least annually by an independent public accountant and distribute audited financial statements prepared in accordance with generally accepted accounting principles to investors within 120 days of its fiscal year end. TPRV relies on this audit exception with respect to the Funds.

## **Item 16 Investment Discretion**

As investment manager of the Funds, TPRV has been granted full discretionary trading and investment authority with respect to Fund assets, consistent with the investment objectives and guidelines set forth in the Funds’ Governing Documents. This discretionary investment authority is conferred upon TPRV through its investment management agreements with the Funds.

## **Item 17 Voting Client Securities**

TPRV has sole authority to vote client securities, and, as such, we have implemented proxy voting policies in accordance with Rule 206(4)-6 under the Advisers Act. While our business generally does not involve the acquisition or disposition of publicly-traded voting securities, we have adopted proxy voting policies and procedures that describe our approach to proxy voting in the event that we do acquire such securities on behalf of the Funds. In general, we will exercise voting rights on behalf of our clients in the manner we believe is most likely to maximize economic value for our clients, determined on a case-by-case basis, and in the event of any conflict of interest between TPRV and our client in the case of a

given vote, we will look to a proxy voting service or another independent third party to determine the manner in which a vote should be cast.

A copy of our proxy voting policies and procedures and/or information regarding our voting record will be provided to any investor upon written request.

## **Item 18      Financial information**

TPRV does not require or solicit prepayment of any fees six months or more in advance and does not have any financial condition that would impair its ability to meet contractual commitments to clients.

## **Item 19      Requirements for State-Registered Advisers**

Item 19 is not applicable to TPRV.