

**Item 1. Cover Page**

**Brochure of  
Repertoire Partners LP**

**31 Hudson Yards  
11th Floor, Suite #43  
New York, NY 10001  
Telephone: (415) 677-7050  
Email: [investorrelations@repertoirepartners.com](mailto:investorrelations@repertoirepartners.com)**

**March 2023**

This brochure provides information about the qualifications and business practices of Repertoire Partners LP (“**Repertoire**”). If you have any questions about the contents of this brochure, please contact us at (415) 906-6305 or [investorrelations@repertoirepartners.com](mailto:investorrelations@repertoirepartners.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

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

Although Repertoire is a “Registered Investment Adviser,” that registration does not imply a certain level of skill or training.

**Item 2.       Material Changes**

There have been no material changes since our last Brochure filed in April 2022, other than the addition of a new fund and to update Regulatory Assets Under Management in Item 4.

**Item 3. Table of Contents**

|   | <b>Page</b> |
|---|-------------|
| Item 1. Cover Page .....  | 1           |
| Item 2. Material Changes .....  | 1           |
| Item 3. Table of Contents .....   | 2           |
| Item 4. Advisory Business .....   | 3           |
| Item 5. Fees and Compensation .....   | 4           |
| Item 6. Performance-Based Fees and Side-By-Side Management .....  | 5           |
| Item 7. Types of Clients .....  | 5           |
| Item 8. Methods of Analysis, Investment Strategies and Risk of Loss.....                                | 5           |
| Item 9. Disciplinary Information.....   | 10          |
| Item 10. Other Financial Industry Activities and Affiliations .....                                     | 10          |
| Item 11. Code of Ethics, Participation or Interest In Client Transactions and<br>Personal Trading ..... | 10          |
| Item 12. Brokerage Practices .....  | 12          |
| Item 13. Review of Accounts .....   | 15          |
| Item 14. Client Referrals and Other Compensation .....  | 15          |
| Item 15. Custody .....  | 15          |
| Item 16. Investment Discretion .....  | 15          |
| Item 17. Voting Client Securities .....   | 16          |
| Item 18. Financial Information .....  | 16          |
| Item 19. Requirements for State-Registered Advisers .....   | 16          |
| Privacy Policy .....  | 17          |

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

Repertoire Partners LP (“**Repertoire**”) is a Delaware limited partnership that began business operations in 2021, and currently serves as the investment adviser of private investment funds. Deepak Sarpangal is the Managing Partner of Repertoire and is the portfolio manager of the funds it manages. The general partner of Repertoire is Repertoire Partners GP LLC, a Delaware limited liability company also controlled by Mr. Sarpangal. As of December 31, 2022, Repertoire had total discretionary regulatory assets under management of approximately \$327,655,440. Repertoire only manages assets on a discretionary basis.

Repertoire serves as the investment adviser to Repertoire Supplemental LP, Repertoire Master Fund LP, a Delaware limited partnership (the “**Master Fund**”), and Repertoire International Ltd., a Cayman Islands exempted company that invests substantially all of its assets in the Master Fund. As noted in Item 10, Repertoire Holdings LLC, an affiliate of Repertoire that is owned primarily by Mr. Sarpangal, is the general partner of the Master Fund and Repertoire Supplemental LP. References to “Repertoire” throughout this brochure also refer to Repertoire Holdings LLC where appropriate. Repertoire selects all fund investments and strategies. The offering materials for those funds describe the specific investment strategy that Repertoire intends to follow, but Repertoire invests principally, but not solely, in publicly-traded securities on behalf of its clients, and is authorized to enter into any type of investment transaction that it deems appropriate under the terms of the client’s partnership or other account agreement.

Repertoire strives to protect and grow entrusted capital at superior long-term rates by investing in what it deems to be inordinately underappreciated, high-quality businesses with favorable optionality. Selected opportunities are those in which Repertoire believes it can capitalize on market inefficiencies by facilitating or participating in the correction of significantly mispriced value. At any given time, there are a limited number of special investment opportunities that offer excellent prospects of gains at a price where risks are acceptable. Idiosyncratic factors are anticipated to be material drivers of performance, contributing to less correlation with broad equity and fixed income markets or alternative investments. Repertoire’s key investment categories are compounders or generals, event-driven or special situations, engaged ownership or shareholder activism, and short-selling or hedges. These categories are not mutually exclusive and provide a multifaceted basis to deliver persistent outperformance.

To achieve its objectives, Repertoire intends to purchase, hold, sell, and sell short a wide range of securities or financial instruments, primarily publicly-traded equity securities or derivatives thereof. Repertoire retains the flexibility to occasionally transact in other types of securities or financial instruments if Repertoire deems it to be in the best interests of its clients.

The investors in the funds that Repertoire manages have no opportunity to select or evaluate any fund investments or strategies.

Repertoire does not participate in wrap fee programs.

Repertoire typically does not tailor its services to the individual needs of individually managed accounts but manages each such account according to the strategy selected by the client. Repertoire’s discretionary authority is limited, however, as described in Item 16.

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

Repertoire charges an annual management fee of 1% with respect to Class A and Class B investors and 2% with respect to Class FF1 investors. It does not charge a management fee with respect to Class FF2 investors. The management fee is calculated and charged monthly based on each investor's capital account balance at the beginning of each calendar month. Repertoire also receives a performance-based allocation with respect to each investor equal to a percentage of net profits (including both realized and unrealized gains and losses) otherwise allocable to such investor. The performance allocation is 15% (after a 6% preferred hurdle) for Class A and 20% (after a 6% hard hurdle) for Class B and the performance allocation is 20% for Class FF2 investors. Performance allocations are assessed in arrears on an annual basis (and on withdrawals with respect to the amount withdrawn) and are only applied to the portion of profits that exceed the cumulative losses previously allocated to or incurred by investors. Repertoire complies with Rule 205-3 under the Investment Advisers Act of 1940, to the extent required by applicable law. Performance allocations and fees may create an incentive for Repertoire to make more risky and speculative investments than it would otherwise make.

Repertoire may waive or reduce all or any portion of the management or performance-based allocations and distributions with respect to any investor or client.

Repertoire deducts management fees and performance-based allocations and distributions directly from client accounts.

To the extent that a client invests in mutual funds or ETFs, such client also bears indirectly the investment advisory fees to the managers of those funds.

Repertoire believes that its fees are competitive with fees charged by other investment advisers for comparable services. Comparable services may be available, however, from other sources for lower fees.

The disclosure in this Item 5, together with the disclosure in Item 12, allow a plan that is subject to the Employee Retirement Income Security Act of 1974 and that invests in one of Repertoire's funds to use the "alternative reporting option" to report Repertoire's compensation as "eligible indirect compensation" on the Schedule C of the plan's Form 5500 Annual Return/Report of Employee Benefit Plan.

Relationships with Repertoire's investment fund clients are terminable on the termination of the applicable investment management agreement and, with respect to Repertoire's investment limited partnership clients, on expiration of the partnership's term, dissolution of the partnership or on the withdrawal by Repertoire or its affiliates as the general partner of that fund. On at least 65 days prior written notice, for Class FF1 and Class FF2, on the calendar quarter end immediately preceding every third anniversary of an investor's investment in a fund the investor may withdraw/redeem 25% of its capital account balance related to that specific investment, and the remainder may be withdrawn/redeemed at the end of the following three calendar quarters, as specified in more detail in the funds' offering materials. Further, with respect to Class A investors are subject to an annual lock up and Class B investors are subject to a two-year lock-up. At the one year anniversary of investment date for Class A investors and two year anniversary of investment date for Class B investors, with at least 65 days prior written notice, the respective

investors may request full redemption on the calendar quarter-end immediately following the anniversary, which is paid equal to 25% of their capital account balance over the following four quarters. Withdrawals outside of the last day of the calendar quarter immediately following each anniversary for Class A investors and every second anniversary for Class B investors, will be subject to a fee payable to the fund equal to 5% of the withdrawal proceeds. These and other withdrawal/redemption provisions are described in greater detail in the Funds' governing and offering documents.

In all cases, expenses, the pro-rata portion of the management fee and the performance allocation or fee through the date of termination are charged to the account. All prepaid but unearned advisory fees are refunded on termination of a client's account. An investor who withdraws from a fund on a date other than the last day of a quarter or other appropriate period, however, does not receive a refund of the management fee previously paid.

Each fund or other client is responsible for its own costs and expenses as detailed in the governing documents for such fund. Such costs and expenses include, but are not limited to, trading costs and expenses (such as brokerage commissions, expenses related to short sales, and clearing and settlement charges), ongoing legal, accounting, and bookkeeping fees and expenses, and the fees and expenses charged by any fund administrator for its accounting, bookkeeping and other services.

Repertoire bears its own operating, general, administrative, and overhead costs and expenses, other than the expenses described above. All or part of these costs and expenses may be paid, however, by securities brokerage firms and futures commission merchants that execute clients' securities trades, as discussed in Item 12 below.

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

Repertoire currently manages only accounts that pay performance-based compensation as described in Item 5. It does not manage accounts that do not pay performance-based compensation.

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

Repertoire provides investment advice to investment funds and other accounts. Investors in the funds are required to invest a minimum of \$5,000,000, but Repertoire may waive this minimum. Repertoire generally requires a minimum of \$500,000,000 to open an individually managed account, but may waive this minimum. Repertoire's separate account clients may include high-net-worth individuals, institutions, trusts, endowments and pension plans.

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

##### Investment Strategy

The specific investment strategy that Repertoire intends to follow for its funds is described in the offering materials for those funds and is summarized in Item 4 above. The investment strategy (as summarized herein and detailed in the offering materials) represents Repertoire's current intentions, is general in nature and is not exhaustive. There are no limits on the types of securities in which Repertoire may take positions on behalf of its clients, the types of positions that it may take, the concentration of its investments or the amount of leverage that it may use. Repertoire may

use any trading or investment techniques, whether or not contemplated by the expected investment strategies described above. In addition, there are limitations in describing any investment strategy due to its complexity, confidentiality, and indefinite nature. Depending on conditions and trends in securities and commodities markets and the economy generally, Repertoire may pursue any objectives or use any techniques that it considers appropriate and in clients' interest.

## Risk Factors

Investing in securities involves risk of loss that clients should be prepared to bear. Below are some of the risks that investors should consider before investing in any account that Repertoire manages. Any or all of such risks could materially and adversely affect investment performance, the value of any account or any security held in an account and could cause investors to lose substantial amounts of money. Below is only a summary of some of the risks that a client or an investor may encounter. Potential investors in a fund should review such fund's offering circular carefully and in its entirety, and consult with their professional advisers before deciding whether to invest. The risks described below also generally apply to individually managed accounts. A potential client should discuss with Repertoire's representatives any questions that such person may have before opening an account.

- Client accounts may not achieve their investment objectives. A strategy may not be successful, and investors may lose some or all of their investment.
- Client accounts may be concentrated in securities of relatively few issuers, many of which may have micro- to small-sized market capitalizations. Those securities involve substantially higher risks than do investments in securities of larger companies.
- Repertoire has only a limited operating history on which prospective clients and investors may evaluate its performance.
- Investor sentiment on the market, an industry or an individual stock, fixed income or other security is not predictable and can adversely affect an account's investments.
- An account may hold stocks that disappoint earnings expectations and decline and may short stocks that beat earnings expectations and rise.
- Repertoire may not be able to obtain complete or accurate information about an investment and may misinterpret the information that it does receive. Repertoire also may receive material, non-public information about an issuer that prevents it from trading securities of that issuer for a client when the client could make a profit or avoid losses.
- Repertoire may take positions in securities of small, unseasoned companies that are less actively traded and more volatile than those of larger companies.
- Repertoire engages in hedging, which may reduce profits, increase expenses and cause losses. Price movement in a hedging instrument and the security hedged do not always correlate, resulting in losses on both the hedged security and the hedging instrument. Repertoire is not obligated to hedge a client's portfolio positions, and it frequently may not do so.



- An account may have higher portfolio turnover and transaction costs than a similar account managed by another investment adviser. These costs reduce investments and potential profit or increase loss.
- Repertoire sells securities short, resulting in a theoretically unlimited risk of loss if the prices of the securities sold short increase.
- Management and stockholders of an issuer may sue short sellers to prevent short sales of the issuer's securities. Repertoire could be subject to such actions, even if they are baseless, and clients could incur substantial costs defending them.
- Repertoire uses leverage by borrowing on margin, selling securities short and trading futures, other commodity interests and derivatives, which increases volatility and risk of loss. These instruments can be difficult to value. An incorrect valuation could result in losses.
- Repertoire may sell covered and uncovered options on securities. The sale of uncovered options could result in unlimited losses.
- Counterparties such as brokers, dealers, futures commission merchants, custodians and administrators with which Repertoire does business on behalf of clients may default on their obligations. For example, a client may lose its assets on deposit with a broker if the broker, its clearing broker or an exchange clearing house becomes bankrupt.
- Repertoire may cause a client to enter into repurchase agreements or reverse repurchase agreements. These instruments can have effects similar to margin trading and leveraging strategies.
- Repertoire may cause clients to invest in securities of non-U.S., private and government issuers. The risks of these investments include political risks; economic conditions of the country in which the issuer is located; limitations on foreign investment in any such country; currency exchange risks; withholding taxes; limited information about the issuer; limited liquidity; and limited regulatory oversight.
- Changes in economic conditions can adversely affect investment performance. At times, economic conditions in the U.S. and elsewhere have deteriorated significantly, resulting in volatile securities markets and large investment losses. Government actions responding to these conditions could lead to inflation and other negative consequences to investors.
- Repertoire may acquire for a client a large position in an issuer's securities, but the client nevertheless is unlikely to have any control over the issuer's management. In addition, if Repertoire holds a large position in an issuer's securities, it could depress the market for those securities.
- Some of an account's positions may be or become illiquid, in which case Repertoire may not be able to sell such positions.

- An account may invest in restricted securities that are subject to long holding periods or that are not traded in public markets. These securities are difficult or impossible to sell at prices comparable to the market prices of similar publicly-traded securities and may never become publicly traded.
- An account's investments may not be diversified. Therefore, a loss in any one position, industry or sector in which a fund has invested may cause significant losses.
- Repertoire determines the value of securities and commodities held in client accounts, whether or not a public market exists for such instruments. If Repertoire's valuation is inaccurate, it might receive more compensation than that to which it is entitled, a new investor in a fund might receive an interest that is worth less than the investor paid and an investor that is withdrawing assets might receive more than the amount to which the investor is entitled, to the detriment of other investors.
- The client and not Repertoire is responsible for any trade errors that Repertoire makes in an account, even when the error hurts the client.
- Repertoire and its affiliates and agents generally are not responsible to any client or investor for losses incurred in an account unless the conduct resulting in such loss constituted gross negligence, fraud or willful misconduct to the client or investor.
- There is not and will not be an active market for fund interests. It may be impossible to transfer any such interests, even in an emergency.
- A fund may not be able to generate cash necessary to satisfy investor withdrawals. Substantial withdrawals in a short period could force Repertoire to liquidate investments too rapidly and may so reduce the size of a fund that it cannot generate returns or reduce losses.
- A fund may limit or suspend withdrawals of an investor's assets from the fund.
- A fund may establish a reserve for contingencies if Repertoire considers it appropriate. Investors may not withdraw or redeem assets covered by that reserve until it is lifted.
- If the assets that Repertoire and its affiliates manage grow too large, it may adversely affect performance, because it is more difficult for Repertoire to find attractive investments as the amount of assets that it must invest increases.
- No client or investor has been represented by separate counsel. The attorneys who represent Repertoire or its manager do not represent clients or investors. Clients and investors must hire their own counsel for legal advice and representation.
- A fund may dissolve or expel any investor at any time, even if such actions adversely affect one or more investors.

- Repertoire, an administrator or any government agency may freeze assets that any of them believes a client holds in violation of anti-money laundering laws or rules or on behalf of a suspected terrorist and may transfer such assets to a government agency. None of Repertoire, a fund or an administrator will be liable for losses related to actions taken in an effort to comply with anti-money laundering regulations.
- Repertoire (as well as service providers to Repertoire or its clients) rely heavily on information systems and technology. Disruptions to these systems or resources may make it difficult or impossible to implement a client's investment strategy and could materially and adversely affect such client account. Examples of such circumstances include natural disasters, pandemics, terrorism, cybersecurity attacks, public service or utility disruptions.
- A fund may take action with respect to an investor's investment or withdrawal/redemption proceeds as it considers appropriate under relevant legislation and regulations, including but not limited to the Foreign Account Tax Compliance Act, and any associated legislation, regulations or guidance, or similar legislation, regulations or guidance enacted in any jurisdiction that seeks to implement similar tax reporting and/or withholding tax regimes. Failure by an investor to assist a fund in meeting its obligations pursuant to such legislation and regulations may result in pecuniary loss to that investor.
- An audit adjustment to a fund's U.S. tax return could result in a tax liability (including interest and penalties) imposed on the fund for the year during which the adjustment is determined.
- The funds do not intend to make distributions but intend instead to reinvest substantially all income and gain. Therefore, an investor may have taxable income from a fund without a cash distribution to pay the related taxes.
- Federal, state and international governments may increase regulation of investment advisers, private investment funds and derivative securities, which may increase the time and resources that Repertoire must devote to regulatory compliance, to the detriment of investment activities.
- Repertoire is not registered with the SEC as a broker-dealer or with the Commodity Futures Trading Commission as a commodity pool operator or commodity trading adviser. The equity interests in the funds are not registered under the Securities Act of 1933, and the funds are not registered investment companies under the Investment Company Act of 1940. Repertoire believes that none of these registrations is required because exemptions are available under applicable law. If a regulatory authority deems that any of these registrations is required, Repertoire and any fund could be subject to expensive legal action and potential termination. In addition, investors in the funds do not have certain regulatory protection that they would have if these registrations were in place.
- Repertoire's activities could cause adverse tax consequences to clients and investors, including liability for interest and penalties.

- Repertoire’s activities may cause an account that is subject to the Employee Retirement Income Security Act of 1974 to engage in a prohibited transaction under that Act.
- If an investment fund client becomes insolvent, investors may be required to return with interest any distributions and forfeit any undistributed profits.
- Repertoire and its affiliates may spend time on activities that compete with a fund without accountability to investors, including investing for other clients and their own accounts. If Repertoire receives better compensation and other benefits from managing other assets or client accounts compared to managing a fund, it has incentive to allocate more time to those other activities. These factors could influence Repertoire not to make investments on a fund’s behalf even if such investments would benefit the fund.
- Repertoire may provide certain investors or clients more frequent or detailed reports, special compensation arrangements and withdrawal rights that it does not provide to other investors or clients.

The above is only a summary of some of the important risks that a client or an investor may encounter. Before deciding to invest in a fund that Repertoire manages, you should carefully consider all of the risk factors and other information in the applicable fund’s offering materials.

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

This Item is not applicable, because Repertoire has no reportable disciplinary information.

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

Repertoire Holdings LLC, an affiliate of Repertoire that is owned primarily by Mr. Sarpangal, is the general partner of the Master Fund and Repertoire Supplement LP. Repertoire Holdings LLC acts as a commodity pool operator with respect to the Master Fund but is exempt from registration with the Commodity Futures Trading Commission. References to “Repertoire” throughout this brochure also refer to Repertoire Holdings LLC where appropriate.

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

Repertoire has adopted a Code of Ethics in compliance with Rule 204A-1 under the Investment Advisers Act of 1940, that establishes standards of conduct for Repertoire’s supervised persons. The Code of Ethics includes general requirements that Repertoire’s supervised persons comply with their fiduciary obligations to clients and applicable securities laws, and specific requirements relating to, among other things, personal trading, insider trading, conflicts of interest and confidentiality of client information. It requires supervised persons to comply with the personal trading restrictions described below and periodically to report their personal securities transactions and holdings to Repertoire’s Compliance Officer and requires the Compliance Officer to review those reports. It also requires supervised persons to report any violations of the Code of Ethics promptly to the Compliance Officer. Each supervised person of Repertoire receives a copy of the Code of Ethics and any amendments to it and must acknowledge in writing having received those materials. Annually, each supervised person must certify that he or she complied with the Code of

Ethics during the preceding year. Clients and prospective clients may obtain a copy of Repertoire's Code of Ethics by contacting Daria Natal at (415) 906-6305 or [investorrelations@repertoirepartners.com](mailto:investorrelations@repertoirepartners.com).

Under Repertoire's Code of Ethics, Repertoire and its officers, partners and employees may personally invest in securities of the same classes as Repertoire purchases for clients and may own securities of issuers whose securities that Repertoire subsequently purchases for clients. This practice creates a conflict of interest in that any of such persons can use his or her knowledge about actual or proposed securities transactions and recommendations for a client account to profit personally by the market effect of such transactions and recommendations. To address this conflict, except as described in Item 12 regarding aggregating securities transactions, if Repertoire purchases or sells a security for clients and any of Repertoire and its officers, partners, and employees on the same day, either the clients and Repertoire and its officers, partners and employees pay or receive the same price, or the clients receive the more favorable price. Repertoire and its officers, partners and employees may also buy or sell specific securities for their own accounts based on personal investment considerations aside from company or industry fundamentals, which Repertoire does not believe appropriate to buy or sell for clients.

If a client establishes a separately-managed account in the future, Repertoire may solicit such client to invest in its investment funds. Repertoire has an incentive to cause a client to invest in its investment funds instead of an individually managed account because of the reduced expenses and administrative burdens of managing a fund compared to an individually managed account, Repertoire's performance compensation from an investment fund receives more favorable tax treatment than that from an individually managed account and investors have less transparency and liquidity than individual account clients. In addition, if a fund investor also has an individually managed account with Repertoire that uses an investment strategy that is similar to that of the fund, the investor may use knowledge of the other account's portfolio to decide if and when to make an additional investment or withdraw assets from the fund at times when other fund investors would have made similar decisions had they had similar transparency. Repertoire discloses these conflicts of interest to clients and investors.

If at any time Repertoire manages more than one account, there may be conflicts of interest over its time devoted to managing any one account and allocating investment opportunities among all accounts that it manages. For example, Repertoire selects investments for each client based solely on investment considerations for that client. Different clients may have differing investment strategies and expected levels of trading. Repertoire may buy or sell a security for one type of client but not for another or may buy (or sell) a security for one type of client while simultaneously selling (or buying) the same security for another type of client. It is Repertoire's policy, however, to the extent practicable, to allocate investment opportunities to its clients fairly and equitably over time based on the allocation methodology in each client's offering materials and summarized in Item 4. Repertoire is not obligated to acquire for any account any security that Repertoire or its officers, partners and employees may acquire for its or their own accounts or for any other client, if in Repertoire's absolute discretion, it is not practical or desirable to acquire a position in such security for that account.

## **Item 12. Brokerage Practices**

Repertoire has complete discretion in selecting the broker or futures commission merchant that it uses for client transactions and the commission rates that clients pay such brokers and futures commission merchants. Repertoire generally allocates portfolio transactions to securities brokers (which term also includes futures commission merchants) based on best execution and in consideration of certain services that benefit Repertoire, its affiliates and its clients that are paid for or provided by those brokers. These considerations in selecting brokers may include, among other things, outsourced trading expertise and services of brokers that provide trading desks to their customers, research reports, services and conferences (including third party research fees), economic and market information, portfolio strategy advice, industry and company comments, technical data, recommendations, general reports, consultations, performance measuring data, on-line pricing, special execution capabilities, block trading and block positioning capabilities, willingness to execute related or unrelated difficult transactions in the future, willingness to commit capital, knowledge of market participants, order of call, offering to Repertoire on-line access to computerized data regarding clients' accounts, computerized trading systems, clearance, settlement, reputation, financial strength and stability, confidentiality, efficiency of execution and error resolution, quotation services, the availability of stocks to borrow for short trades, custody, recordkeeping and similar services, and other matters involved in the receipt of brokerage services generally. Repertoire also may purchase from a broker or allow a broker to pay for all or a portion of a client's, Repertoire's or its affiliates' costs and expenses of operation. Accordingly, a client may be deemed to be paying for research and these other services with "soft" or commission dollars. Repertoire may receive soft dollar credits on principal, as well as agency, transactions with brokers or direct a broker that executes transactions to share some of its commissions with a broker that provides soft dollar benefits to Repertoire.

Repertoire may receive soft dollar credits based on principal, as well as agency, securities transactions with brokers and futures commission merchants or direct a broker or futures commission merchant that executes transactions to share some of its commissions with a broker or futures commission merchant that provides soft dollar benefits to Repertoire.

Repertoire has retained certain brokerage firms to serve as some client's prime brokers and custodians. The services that they provide as prime broker and custodian may include providing custody, margin financing, clearing, settlement and stock borrowing in accordance with the terms of the prime brokerage and custody agreements entered into with the client. Repertoire receives other services from them. These services may include: technology services (such as internet access, IT support, Bloomberg connections, wireless networking, email archiving and disaster recovery systems), capital introduction services, portfolio reporting and access to electronic communications networks (ECNs). The arrangement may be deemed to be a soft dollar arrangement. Repertoire expects to use a substantial portion of these services for research and trading on behalf of its clients, but some may be used for administrative purposes, which would not be within the safe harbor of section 28(e). Although many prime brokers and custodians provide similar services to investment advisers in exchange for brokerage, custody and clearance fees and other charges, if Repertoire did not receive these services from them, Repertoire would be required to pay for all or some portion of them. Repertoire expects to direct some client securities transactions to them and their affiliates, but is not required to direct a particular number of trades to them or to continue to use them as its client's prime broker and custodian, but it has an incentive to do so based on their prior and continued services.

A client's obligations to those custodians and their affiliates will be secured by way of a first priority perfected security interest over all of the client's assets held in custody by them and their affiliates may transfer to themselves all rights, title and interest in and to those assets as collateral and may deal with, lend, dispose of, pledge or otherwise use all such collateral for their own purposes. If any such transfer occurs, the client will rank as such custodian's (or affiliate's) unsecured creditor. If such custodian or affiliate becomes insolvent, the client may not be able to recover such equivalent securities in full. In addition, the client's cash held by a custodian may not be segregated from such custodian's own cash and, if not so segregated, may be used by such custodian or affiliate in the course of its business and the client will therefore rank as an unsecured creditor in relation thereto.

If any of the client's investments are registered in the name of a custodian or affiliate due to the nature of the law or market practice of a particular jurisdiction, such investments will not be segregated from the custodian's or affiliate's own investments and if such custodian or affiliate becomes insolvent, the client may not be able to recover such equivalent investments in full.

Repertoire may select a broker to act as an outsourced "trading broker" for a client. In such cases, Repertoire or the trading broker may select the executing broker, and the trading broker would then place or manage the order. The trading broker is compensated (through commissions or otherwise) for this trading service in addition to the commissions paid to the executing brokers. As with all soft dollar arrangements, using a trading broker in this manner causes the client to pay brokerage commissions, mark-ups and other transactions fees that are higher than might otherwise be paid if brokers were selected solely based on lowest execution cost. In addition, using a trading broker (rather than an employee of Repertoire) to provide those services may allow Repertoire to reduce its own personnel expenses.

Section 28(e) of the Securities Exchange Act of 1934 provides a "safe harbor" to investment advisers who use commission dollars of their advised accounts to obtain investment research and brokerage services that provide lawful and appropriate assistance to the adviser in performing investment decision-making responsibilities. Conduct outside of the safe harbor of section 28(e) is subject to the traditional standards of fiduciary duty under state and federal law. If Repertoire uses commission dollars to pay for products or services that provide administrative or other non-research assistance to itself or its affiliates, such payments may not fall within the section 28(e) safe harbor. Repertoire intends, however, to comply with section 28(e) in all material respects.

Repertoire may pay to a broker or futures commission merchant commissions and mark-ups that exceed those that another broker or futures commission merchant might charge for effecting the same transaction because of the value of the brokerage, research, other services and soft dollar relationships that such broker or futures commission merchant provides. Repertoire determines in good faith that such compensation is reasonable in relation to the value of such brokerage, research, other services and soft dollar relationships, in terms of either the specific transaction or Repertoire's overall fiduciary duty to its clients. An account may, however, pay higher commissions and mark-ups than are otherwise available or may pay more commissions or mark-

ups based on account trading activity. The research and other benefits resulting from Repertoire's brokerage relationships benefit Repertoire's operations as a whole and all accounts that it manages, including those that do not generate the soft dollars that pay for such research and other benefits and accounts of clients that direct Repertoire to use a broker or futures commission merchant that does not provide Repertoire with soft dollar services. Repertoire does not allocate soft dollar benefits to client accounts proportionately to the soft dollar credits that the accounts generate.

Repertoire's relationships with brokers and futures commission merchants that provide soft dollar services influence Repertoire's judgment and create conflicts of interest in allocating brokerage business between firms that provide soft dollar services and firms that do not. Repertoire has an incentive to select or recommend a broker or futures commission merchant based on Repertoire's interest in receiving soft dollar services rather than clients' interest in receiving the most favorable execution. These conflicts of interest are particularly influential to the extent that Repertoire uses soft dollars to pay expenses it would otherwise be required to pay itself.

Repertoire addresses these conflicts of interest by annually evaluating the trade execution services that Repertoire receives from the brokers and futures commission merchants that it uses to execute trades for clients. Such evaluation includes comparing those services to the services available from other brokers and futures commission merchants. Repertoire considers, among other things, alternative market makers and market centers, the quality of execution services, the value of continuing with various soft dollar services and adding or removing brokers or futures commission merchants, increasing or decreasing targets for each broker or futures commission merchant and the appropriate level of commission rates.

Repertoire may aggregate securities sale and purchase orders for a client with similar orders being made contemporaneously for other accounts that Repertoire manages or with accounts of its affiliates. In such event, Repertoire may charge or credit a client the average transaction price of all securities purchased or sold in such transactions. As a result, however, the price may be less favorable to the client than it would be if Repertoire were not executing similar transactions concurrently for other accounts. Repertoire may also cause a client to buy or sell securities directly from or to another client, if such a cross-transaction is in the interests of both clients.

Repertoire may direct a certain amount of brokerage to a broker or futures commission merchant in return for the broker's or futures commission merchant's referral of prospective clients or investors. Directing brokerage in exchange for client or investor referrals creates a conflict of interest in that Repertoire has an incentive to refer its clients' brokerage business to brokers and futures commission merchants to which it might not otherwise direct transactions. During its last fiscal year, Repertoire did not direct client transactions to a particular broker or futures commission merchant in return for client referrals.

Repertoire does not currently have any separately-managed account clients and therefore does not have any client that directs Repertoire to use a specific broker but if in the future a client directs Repertoire to use a specific broker, Repertoire will not have negotiated the terms and conditions (including, among others, commission rates) relating to the services provided by such broker. Repertoire is not responsible for obtaining from any such broker the best prices or particular commission rates. A client that directs Repertoire to use a specific broker may not be able to participate in aggregate securities transactions and may trade after such aggregate transactions and receive less favorable pricing and execution. The client may pay higher commissions and mark-



ups than it would pay if Repertoire had discretion to select broker-dealers other than those that the client chooses.

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

Repertoire's portfolio manager, Deepak Sarpangal, reviews all accounts on a regular basis. Those reviews take into account such matters as asset allocation, cash management, the prospects of individual securities, changes in issuer earnings, industry outlook, market outlook and price levels. Each investor and client receive capital account statements at least quarterly and a letter at least annually with investment commentary. Repertoire may change the content and frequency of its reporting or provide certain investors with more frequent updates.

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

Repertoire may engage solicitors to whom it pays cash or a portion of the advisory fees paid by clients referred to it by those solicitors. In such cases, this Repertoire will comply with the requirements of Rule 206(4)-1 under the Investment Advisers Act of 1940, to the extent required by applicable law.

### **Item 15. Custody**

Except for privately-offered securities (if any), neither Repertoire nor its affiliates maintains physical possession of its funds' assets. Repertoire Holdings LLC, as the general partner of the Master Fund, is deemed to have custody of the assets of that fund and Repertoire complies with the Rule 206(4)-2 of the Investment Advisers Act of 1940 by delivering audited financial statements of each fund to investors within the specified time period.

If Repertoire manages an individually-managed account in the future, the custodian of that account will send account statements at least quarterly to the client. Each client should carefully review those statements and compare them with the statements that such client receives directly from Repertoire, if any.

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

Repertoire has discretionary authority to manage investment accounts on behalf of clients pursuant to a grant of authority in each fund's governing document or a limited power of attorney in each client's account agreement. Except for Repertoire's investment funds, such discretion is limited by the requirement that clients advise Repertoire of:

- the investment objectives of the account;
- any changes or modifications to those objectives; and
- any specific investment restrictions relating to the account.

A client must promptly notify Repertoire in writing if the client considers any investments recommended or made for the account to violate such objectives or restrictions. A client may at any time direct Repertoire to sell any securities or take such other lawful actions as the client may specify to cause the account to comply with the client's investment objectives. In addition, a client may notify Repertoire at any time not to invest any funds in the client's account in specific securities or specific categories of securities.

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

Repertoire decides whether to vote proxies on behalf of each account over which Repertoire has proxy voting authority after considering whether the proposal will have a material effect on the account's investment strategy. This analysis frequently leads Repertoire to not vote proxies. In determining whether a proposal serves an account's best interests, Repertoire considers a number of factors, including:

- the proposal's economic effect on shareholder value;
- the threat that the proposal poses to existing rights of shareholders;
- the dilution of existing shares that would result from the proposal;
- the effect of the proposal on management or director accountability to shareholders; and
- if the proposal is a shareholder initiative, whether it wastes time and resources of the company or reflects the grievance of one individual.

Repertoire abstains from voting proxies when Repertoire believes that it is appropriate to do so.

If a material conflict of interest over proxy voting arises between Repertoire and a client, Repertoire will vote all proxies in accordance with the policy described above. If Repertoire determines that this policy does not adequately address the conflict of interest, Repertoire will notify the client of the conflict and request that the client consent to Repertoire's intended response to the proxy solicitation. If the client consents to Repertoire's intended response or fails to respond to the notice within a reasonable time specified in the notice, Repertoire will vote the proxy as described in the notice. If the client objects in writing to Repertoire's intended response, Repertoire will vote the proxy as the client directs.

A client can obtain a copy of Repertoire's proxy voting policy and a record of votes cast by Repertoire on behalf of that client by contacting Repertoire.

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

This Item is not applicable, because Repertoire is not required to report financial information.

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

All of the information required by this Item is disclosed in Repertoire's Form ADV, Part 2B.

## **Privacy Policy**

Repertoire and the investment funds for which it serves as investment adviser:

- collect non-public personal information about their clients and investors from the following sources:
  - information received from clients or investors on applications or other forms, and
  - information about clients' or investors' transactions with Repertoire, its affiliates or others;
- do not disclose any non-public personal information about their clients or investors or former clients or investors to anyone, except as permitted by law;
- restrict access to non-public personal information about their clients and investors to their employees who need to know that information to provide services to clients; and
- maintain physical, electronic, and procedural safeguards that comply with federal standards to guard clients' and investors' personal information.