

## **Breakout Capital Partners, L.P.**

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FORM ADV PART 2A

CLIENT BROCHURE

March 2023

This brochure (“Brochure”) provides information about the qualifications and business practices of Breakout Capital Partners, L.P. a Delaware limited Partnership (“Breakout Capital” or the “Advisor”). Breakout Capital is registered as an investment adviser with the United States Securities and Exchange Commission (the “SEC”). The information in this brochure has not been approved or verified by the SEC or by any state securities authority.

**Registration with the SEC or any state securities authority does not imply a certain level of skill or training.**

**If you have any questions about the contents of this Brochure, please contact Sherri Cohen at (212) 497-5100 or by email at [scohen@breakout-capital.com](mailto:scohen@breakout-capital.com) Additional information about Breakout Capital Partners, L.P. is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## **Item 2 – Material Changes**

Breakout Capital Partners, L.P. filed its first Form ADV, Part 2A (“Brochure”) in May 2022 as part of its initial registration with the Securities and Exchange Commission as an SEC registered investment adviser. Currently, our Brochure may be requested by contacting Sherri Cohen, Chief Compliance Officer at (212) 497-5100 or [scohen@breakout-capital.com](mailto:scohen@breakout-capital.com) free of charge.

The following summary of material changes has been prepared to make clients aware of information that has changed since the initial Brochure filing in May 2022.

## **Item 10 – Other Financial Industry Affiliations**

Rockefeller & Co. and Breakout Capital modified the terms of their strategic partnership in December 2022. Rockefeller & Co. will continue to provide various support services to Breakout Capital (including technology support, project implementation, human resources and other operational, trading-related and back office services), but will no longer provide working capital support and will no longer hold a minority equity interest in Breakout Capital. Rockefeller & Co will, upon achieving certain milestones, become entitled to share in a portion of the management fees and incentive allocations received by Breakout Capital from its investment funds. Rockefeller Financial LLC will also continue to act as a placement agent to Breakout Capital investment funds. Please refer to Items 10 and 11 for an updated description of this relationship including related conflicts of interest.

## **Item 17 – Voting Client Securities**

This section has been updated to reflect Breakout Capital’s engagement with ISS for proxy voting services.

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#### Item 4 – Advisory Business

Breakout Capital Partners, L.P. (“Breakout Capital”) is an Emerging Markets investment management firm. Breakout Capital was formed in 2022 by Ruchir Sharma who serves as the Founder and Chief Investment Officer of the firm. Breakout Capital is organized as a Delaware limited partnership. Breakout Capital GP, LLC serves as the general partner to Breakout Capital Partners, L.P. Mr. Sharma is the managing member of Breakout Capital GP, LLC.

Breakout Capital is under common control with EM Revival Fund GP LLC, the general partner of the EM Revival Master Fund LP, the EM Revival Offshore Fund LP, and the EM Revival Onshore Fund, LP. each a Private Fund (defined below).

Listed below are the firm’s principal partners (i.e., those individual and/or entities controlling 25% or more of Breakout Capital).

- Ruchir Sharma, Founder

Breakout Capital’s business consists of managing investment portfolios of private investment funds and potentially other types of clients. The firm pursues a long-biased equity investment strategy primarily focused on making equity investments in issuers exposed to emerging markets. The investment strategy is primarily focused on investments in common or preferred equity securities, securities convertible into equities, initial public offerings (“IPOs”), global depositary receipts, American depositary receipts, exchange-traded funds (“ETFs”), futures, swaps and foreign exchange derivatives.

Breakout Capital implements its investment strategy applying a combination of a “top-down” view of broader investment themes and “bottom-up” analysis of individual investments. In selecting the emerging markets upon which to concentrate, the Investment Manager uses the Founder’s matrix of ten rules for identifying successful nations (the “10 Rules”). These 10 Rules include consideration of the following factors: politics, role of the state, public and private investment, inflation, currency valuation, debt levels, inequality, geography, demographics and sentiment. The 10 Rules framework is a proprietary and unique framework that is designed to identify economies with high growth prospects and helps flag risky ones. The 10 Rules is expected to evolve over time.

Breakout Capital serves as the investment manager and provides discretionary advisory service to private investment funds (each referred to as a “Private Fund”) organized as Delaware limited partnerships and Cayman Islands exempted limited partnerships. Each Private Fund operates under an exclusion from registration as an investment company under Section 3(c)(7) of the Investment Company Act of 1940, as amended (the “Investment Company Act”). As of the date of this brochure, Breakout Capital serves as the investment manager of the EM Revival Master Fund LP, the EM Revival Offshore Fund LP, and the EM Revival Onshore Fund LP.

Although investors in Private Funds do not generally impose restrictions on Breakout Capital’s investment activities in the Private Funds it manages, Breakout Capital has granted, and may in the future grant, special or more favorable rights with respect to certain terms of a Private Fund, with respect to any Limited Partner in the EM Revival Onshore Fund or the EM Revival Offshore

Fund, which may include, without limitation, principals, members or employees (and their respective family members) of Breakout Capital and its affiliates and other select third parties. To effect such waivers or modifications or to grant any special or more favorable rights, Breakout Capital may enter into agreements (“Side Letters”) or issue interests in different series to certain investors in the future, that provide for, among other things, (i) greater transparency into a Private Fund’s portfolio, (ii) greater information than may be provided to other investors, (iii) different fee terms and (iv) more favorable transfer or liquidity rights. Breakout Capital is permitted to enter into separate Side Letters or other similar agreements with particular investors in the Private Funds in its sole and absolute discretion.

Breakout Capital is obligated to deliver to each prospective client its current form Part 2A Form ADV and an ADV supplement for each investment adviser representative who will provide advisory services to the client. If a client does not receive a copy of the Part 2A-Form ADV and ADV supplement at least forty-eight (48) hours prior to execution of an investment adviser agreement with Breakout Capital, the client shall have the right to terminate the investment adviser agreement without penalty within five (5) business days of the execution of the agreement.

Discretionary assets under management as of December 31, 2022 were \$292,054,876.

## **Item 5 – Fees and Compensation**

### Private Funds

As noted above, Breakout Capital serves as the investment manager to Private Funds. EM Revival Fund GP, LLC serves as the general partner to each Private Fund. EM Revival Fund GP, LLC and Breakout Capital are affiliated entities under common control. As general partner, EM Revival Fund GP, LLC shares in the profits and losses of each Private Fund and is entitled to receive an incentive allocation equal to a percentage of net profits of the capital accounts in a Private Fund under certain circumstances, as fully set forth in the private placement memorandum of each Private Fund. Breakout Capital or one of its affiliates may waive, reduce or calculate differently the Management Fee with respect to any series of interests of any Private Fund investor, and generally does so with respect to the General Partner, current and former partners, members, affiliates or employees of the General Partner or Breakout Capital, members of the families of such persons, trusts or other entities created for estate planning purposes of such persons and/or charitable organizations or foundations of such persons (collectively, “Investment Manager-Related Investors”). Fees and other compensation paid to Breakout Capital or an affiliate are generally deducted from the assets of the Private Funds.

The Management Fee charged by Breakout Capital to each Private Fund is disclosed in the Private Fund offering documents. Each Private Fund pays all of its own operating expenses including but not limited to all investment expenses, any expenses incurred in valuing the assets of each of the Funds, accounting and legal expenses and organizational fees and expenses as more particularly set forth in the Offering Documents of the respective Private Fund.

A pro rata portion of the Management Fee shall be paid out of any subscriptions made by new or existing investors in a Private Fund on any date that does not fall on the first day of a calendar

quarter, based on the actual number of days remaining in such partial quarter. If an investor in a Private Fund makes a withdrawal at any time other than at the end of a quarter, a pro rata portion of the Management Fee (based on the actual number of days remaining in such partial quarter) will be repaid by Breakout Capital to a Private Fund for the further benefit of the withdrawing investor.

Certain investors in the Private Funds may enter into Side Letters relating to fees and/or the incentive allocation that will effectively reduce the aggregate fee or incentive allocation charged to them by a Private Fund.

Any fees payable to any placement agent paid by a Private Fund Client, which are obligations of Breakout Capital will be paid by Breakout Capital either directly or indirectly by reducing the management fees owed to Breakout Capital.

The Management Fee is calculated and paid in advance. Payment of the Management Fee is made within 10 days of the first day of each quarter, or as soon as practicable thereafter.

#### Portfolio Valuation for Fee Calculation

- *Private Funds:* Portfolio valuations are generally determined by the Private Fund's administrator through the use of a pricing vendor. If no pricing vendor information is available for a particular security or the price is deemed by Breakout Capital to be unreliable, Breakout Capital will obtain a quote from an alternate source or Breakout Capital will determine the "fair value" of the security pursuant to Breakout Capital's Valuation Policy.

In making valuation determinations, Breakout Capital may be deemed subject to a conflict of interest, as the valuation of such assets and liabilities affects its compensation and the compensation of the EM Revival Fund GP LLC. In certain circumstances, Breakout Capital may, but is not required to, rely on information provided by third parties (including but not limited to the private companies in which a Private Fund invests), which information may, whether or not known to Breakout Capital at the time, be insufficient, inaccurate, incomplete or otherwise unreliable. To the extent the information received by Breakout Capital is inaccurate, the valuation of a Private Fund's investments may be inaccurate. There is also no guarantee that the value determined with respect to a particular asset or liability by Breakout Capital will represent the value that will be realized by Private Fund on the eventual disposition of the related investment or that would, in fact, be realized upon an immediate disposition of the investment. Certain transactions by Limited Partners (including subscriptions and withdrawals) may be made based on estimated valuation figures. Although a Private Fund's Administrator will adjust the net asset value on each transaction date based on the most current available information, the valuation figures could ultimately differ from the figures used on the transaction date and, therefore, there is a risk that a transacting Limited Partner will benefit (to the detriment of the Private Fund as a whole) in some circumstances and suffer (to the benefit of the Private Fund as a whole) in other circumstances.

### Fee Billing

The specific manner in which fees are charged by Breakout Capital is established in Breakout Capital's written investment management agreement. The EM Revival Master Fund LP will pay to Breakout Capital a fee for investment management services for each quarter. The management fee will be calculated and paid in advance of each quarter.

### Termination of Agreement

An investment management agreement entered into with Breakout Capital may be terminated by either party upon ninety (90) days' written notice of termination to the other party.

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

Breakout Capital serves as the investment manager to Private Funds. As described in Item 5 above, Breakout Capital charges a quarterly, asset-based fee to the Private Funds for its investment management services. EM Revival Fund GP LLC the general partner to each fund is entitled to receive an incentive allocation based on the net profits of the Private Fund as fully set forth in each Fund's private placement memorandum. EM Revival Fund GP LLC and Breakout Capital are under common control.

Qualified Client- The Investment Advisers Act of 1940 (the "Advisers Act"), Rule 205- 3(d)(1) defines a "Qualified Client" as financially sophisticated and meets one or more of the following conditions:

- A natural person who, or a company that, immediately after entering into the Agreement has at least \$1,100,000 under the management of the Investment Adviser.
- A natural person who, or a company that, the Investment Adviser entering into the Agreement (and any person acting on his behalf) reasonably believes, immediately prior to entering into the Agreement, either:
  - Has a net worth (together, in the case of a natural person, with assets held jointly with a spouse) of more than \$2,200,000. For purposes of calculating a natural person's net worth:
    - The person's primary residence must not be included as an asset.
    - Indebtedness secured by the person's primary residence, up to the estimated fair market value of the primary residence at the time the investment advisory agreement is entered into may not be included as a liability (except that if the amount of such indebtedness outstanding at the time of calculation exceeds the amount outstanding 60 days before such time, other than as a result of the acquisition of the primary residence, the amount of such excess must be included as a liability); and
    - Indebtedness that is secured by the person's primary residence in excess of

- the estimated fair market value of the residence must be included as a liability; or
  - Is a “Qualified Purchaser” as defined in section 2(a)(51)(A) of the Investment Company Act of 1940 (15 U.S.C. 80a-2(a)(51)(A)) at the time the Agreement is entered into; or
- A natural person who immediately prior to entering into the Agreement is:
  - An executive officer, director, trustee, general partner, or person serving in a similar capacity, of the investment adviser; or
  - An employee of the investment adviser (other than an employee performing solely clerical, secretarial or administrative functions with regard to the investment adviser) who, in connection with his or her regular functions or duties, participates in the investment activities of such investment adviser, provided that such employee has been performing such functions and duties for or on behalf of the investment adviser, or substantially similar functions or duties for or on behalf of another company for at least 12 months.

The incentive allocation employed by Breakout Capital in the Private Funds creates the risk for a potential conflict of interest versus clients with only an asset-based fee and provides an incentive for Breakout Capital to favor the performance-based fee clients. Performance-based fee arrangements create the incentive to recommend riskier securities or to allocate investments having greater potential for higher returns to those clients paying performance-based fees. Breakout Capital only has clients that pay a performance allocation. Because the incentive allocation is calculated on a basis that includes unrealized appreciation of the Private Fund’s assets, it may be greater than if compensation were based solely on realized gains. Breakout Capital’s compliance policies and procedures and Code of Ethics prohibit employees from favoring one account over another or considering Breakout Capital’s financial interest when providing investment advice to clients. Furthermore, the relevant Private Fund offering and organizational documents include a description as to how performance-based compensation is charged with respect to a particular Private Fund and the risks associated with such performance-based compensation prior to making an investment. Please see Item 10 for more information on conflicts of interest.

## **Item 7 – Types of Clients**

### Private Funds

Breakout Capital currently provides investment advisory services only to Private Funds, which are investment partnerships or similar entities exempt from registration under the Investment Company Act. Generally, each investor in a Private Fund must be an “accredited investor,” as defined in Regulation D under the U.S. Securities Act of 1933, as amended (the “1933 Act”), and either a “qualified purchaser,” as defined in the Investment Company Act, or a “knowledgeable employee,” as defined under Rule 3c-5 of the Investment Company Act. EM Revival Master Fund LP, EM Revival Offshore Fund LP, and EM Revival Onshore Fund operate as private investment funds. Breakout Capital provides investment advisory services to the Private Funds. Breakout Capital has hired the services of a third-party administrator to assist with the administrative services.



A Private Fund's minimum initial capital contribution is disclosed in each respective Private Fund's offering documents. Breakout Capital or EM Revival Fund GP LLC in its sole discretion may waive account minimums of the Private Funds, subject to any minimum investment amounts as may be required by applicable law.

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

In implementing the investment strategy, Breakout Capital applies a combination of a “top-down” view of broader investment themes and “bottom-up” analysis of individual investments. In selecting the emerging markets upon which to concentrate, Breakout Capital uses the matrix of ten rules for identifying successful nations (the “10 Rules”). These 10 Rules include consideration of the following factors: politics, role of the state, public and private investment, inflation, currency valuation, debt levels, inequality, geography, demographics and sentiment. Breakout Capital's process for individual investment selection is based on a framework that generally includes the following steps in seeking to identify long-term, compounding stocks: (1) screening of investible universe of underperforming and neglected but quality companies; (2) conducting country visits and meetings with senior management of issuers; and (3) analyzing business models and evaluating the competitive landscape, with a focus on issuers exhibiting one or more of (a) strong, shareholder-oriented management, (b) compelling growth drivers and sustainable competitive advantage, (c) attractive returns on capital, and (d) robust cash flow generation. The 10 Rules and Breakout Capital's investment selection process is expected to evolve over time.

Breakout Capital expects accounts will typically be invested in 30 to 50 holdings, with a concentration in the countries that Breakout Capital believes screen best under the 10 Rules. Breakout Capital generally expects to keep turnover in a portfolio low, rebalancing from time to time based on the fundamentals.

Breakout Capital expects to utilize index level, country level and currency level hedging in order to seek to protect a clients' portfolio against downside risk. Breakout Capital, in its discretion, may seek to hedge foreign currency exposure of client accounts to currencies other than the base currency through the use of spot and forward foreign exchange contracts or other methods of reducing exposure to currency fluctuations. Breakout Capital may hedge up to 100% of the currency exposure of the client's portfolio. Accounts may utilize any securities for hedging purposes in the discretion of Breakout Capital.

### **Private Fund Risks**

- **Diverse Investor Group.** Investors may have conflicting investment, tax, and other interests with respect to their investments in a Private Fund. The conflicting interests of individual investors may relate to or arise from, among other things, the nature of investments made by Breakout Capital on behalf of a Private Fund in which such investors are invested, the structuring or the acquisition of such investments and the timing of disposition of such investments. In selecting and structuring investments appropriate for a Private Fund, Breakout Capital will consider the investment and tax objectives of the Private Fund as a whole, and not the investment, tax, or other objectives of any of its Investors.

- The investments of each Private Fund may lose all or a substantial portion of their value. Investors in Private Funds must be prepared to bear the risk of loss of their investments therein. It is critical that potential investors refer to the relevant Private Fund's offering and organizational documents, which include more comprehensive, detailed disclosure of the material risks of investing in a Private Fund.
- No market for interests; restrictions on transferability and withdrawal. The interests acquired by investors in each Private Fund ("Interests") have not been registered under the 1933 Act or the securities laws of any state or other jurisdiction and cannot be resold unless they are subsequently registered under the 1933 Act and other applicable securities laws or an exemption from registration is available. It is not contemplated that registration of the Interests under the 1933 Act or other securities laws will ever be effected. There is no public market for the Interests and none is expected to develop. An investor will also generally not be permitted to assign its Interests without the prior consent of Breakout Capital, which may, in its sole discretion, be withheld. New investors may not, except in extraordinary circumstances, withdraw from the Private Fund during the initial lock up period (if any) in accordance with the fund documents. Consequently, investors must be prepared to bear the risks of owning Interests for an extended period of time.
- Regulatory Changes for Hedge Funds. The legal, tax and regulatory environment worldwide for private investment funds (such as the Private Funds) and their managers is evolving, and changes in the regulation of private investment funds, their managers, and their trading and investing activities may have a material adverse effect on the ability of Private Funds to pursue its investment program and the value of investments held by a Private Fund. There has been an increase in scrutiny of the alternative investment industry by governmental agencies and self-regulatory organizations. New laws and regulations or actions taken by regulators that restrict the ability of the Private Funds to pursue its investment program or conduct business with brokers and other counterparties could have a material adverse effect on the Private Funds, and the investors' investments therein. Such laws and regulations may also materially increase the costs of operating the Private Funds and the costs of executing and financing certain strategies utilized by the Private Funds, which costs are borne by the Private Funds. In addition, Breakout Capital may, in its sole discretion, cause the Private Funds to be subject to certain laws and regulations if it believes that an investment or business activity is in the Private Funds' interest, even if such laws and regulations may have a detrimental effect on one or more Limited Partners.
- Side Letters; Different Terms Relating to Interests. Breakout Capital has granted, and may in the future grant, special or more favorable rights with respect to any provision, including, without limitation, the provisions relating to management fees, withdrawals, transfers, notices and transparency, with respect to any investor in a Private Fund, which may include, without limitation, principals, members or employees (and their respective family members) of Breakout Capital and its affiliates and other select third parties. To effect such waivers or modifications or to grant any special or more favorable rights, Breakout Capital may enter into Side Letters or issue interests in different series or sub-series to certain investors in the future, that provide for, among

other things, (i) greater transparency into a Private Fund's portfolio, (ii) greater information than may be provided to other investors, (iii) different fee terms and (iv) more favorable transfer, governance or liquidity rights. Private Funds may issue such interests and a Private Fund or Breakout Capital may enter into such Side Letters without notice to, or the consent of, other investors in the Private Funds. Side Letter agreements entered into with a particular investor do not entitle other investors to the same terms. Investors and prospective investors in a Private Fund should consult the Private Fund's offering documents for information about side letter arrangements, if any, relevant to such fund. Other Potential Risks

- **Cybersecurity** – With the increased use of technology, Breakout Capital is 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 for purposes of misappropriating assets or sensitive information, corrupting data, or causing operational disruption. Cyber incidents impacting Breakout Capital have the ability to cause disruptions and impact business operations, potentially resulting in the inability to transact business, financial losses, violations of applicable privacy and other laws, regulatory fines, penalties, or reputational damage. While Breakout Capital has established a business continuity plan and risk management systems intended to identify and mitigate cyber incidents, there are inherent limitations in such plans and systems including the possibility that certain risks have not been identified. Furthermore, Breakout Capital cannot control the cybersecurity plans and systems put in place by third party service providers and issuers in which client portfolios invest. As a result, clients could be negatively impacted.
- **Impact of Disease Epidemics** - The outbreak of an infectious disease in the United States or elsewhere, such as the novel coronavirus (*e.g.*, “**COVID-19**”), together with any resulting travel restrictions or quarantines, could result in disruptions to Breakout Capital and/or third- party service providers on which Breakout Capital relies. Given that the nature, timing, and severity of an outbreak is unknown, the extent to which an epidemic might impact Breakout Capital, its investments, or its advisory operations is uncertain. In addition to impacting Breakout Capital and the adviser's third-party providers, a pandemic may, and most likely will, have a negative impact on the economy and business activity in the United States and worldwide leading to potential significant disruption, volatility, and losses across financial markets. Clients of the adviser must be prepared for such losses and while Breakout Capital has processes in place to ensure business continuity and to monitor the performance of its vendors and underlying investments, the uncertainty around the nature, type, breadth, and duration of an epidemic and the overall potential impact to Breakout Capital's operations and client investments is unclear.
- **Limited Operating History.** EM Revival Fund GP, LLC, Breakout Capital, and the Private Funds are each recently formed entities and have limited operating history upon which prospective investors can evaluate their anticipated performance. Prior to this operating history, the principals of Breakout Capital have been using strategies similar to the strategies described herein in the past, however, there can be no assurance that a Private Fund will achieve its

investment objective. The past performance of the principals of Breakout Capital may not be indicative of future results and there can be no assurance that a Private Fund will achieve results comparable to those that the investment professionals have achieved in the past.

- **Investment and Trading Risks in General.** Inherent in any investment in securities is the risk of losing the invested capital. Breakout Capital believes that the investment program and the research techniques moderate this risk through a careful selection of securities and investment opportunities, as well as through the application of the ongoing qualitative and quantitative risk assessment and management program. However, no guarantee or representation is made that the investment program will be successful or profitable, and investment results may vary substantially over time. The investment program will utilize investment techniques such as option and derivative transactions, margin transactions, short sales, and futures and forward contracts, which can, in certain circumstances, exacerbate the adverse impact of any loss or adverse event to which accounts may be subject.
- **General Economic and Market Risk.** The success of a Private Fund's activities also will be affected by general economic and market conditions, such as interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws (including laws relating to taxation of a Private Fund's investments) or regulations (or their interpretation), trade barriers, currency exchange controls, and national and international political circumstances (including wars, terrorist acts or security operations). These factors will affect the level and volatility of the prices of securities, commodities and other financial instruments and the liquidity of a Private Fund's investments. Illiquidity or significant changes in volatility could impair a Private Fund's profitability or result in losses.
- **Concentrated Investment Strategy.** The Private Funds will have a high concentration of investments in issuers organized, operating or trading in emerging markets countries, and may also have a high concentration in certain positions, including, among other things, similar financial instruments, industries or individual countries. While Breakout Capital will regularly monitor the concentration of a Private Fund's portfolio, concentration in any one industry, region or country may arise from time to time. For example, at any given time, certain geographic areas or industry sectors may provide more attractive investment opportunities than others and, as a result, a Private Fund's investment portfolio may become concentrated in those countries or regions or in specific industry sectors. The risk of loss on the Private Fund's investments will increase to the extent that the Private Fund's portfolio becomes so concentrated. Concentration of investments in an industry will make the Private Fund's portfolio more susceptible to fluctuations in value resulting from adverse economic and business conditions in such industry. To the extent there is a downturn affecting a country, region or industry sector in which the Private Fund's portfolio is concentrated, this could increase the risk of defaults, reduce the amount of payments the Private Fund receives on its investments and, consequently, could have an adverse impact on the Private Fund's financial condition and results and its ability to make distributions.

In addition to the foregoing, to the extent that the Private Fund may make only a limited number of investments and such investments involve a high degree of risk, poor performance by even a single investment could severely affect the total returns. Moreover, because it is not reasonable to expect all of the Private Fund's investments to perform well or even return capital, for the Private Fund to achieve above-average returns in the scenario where it has made only a limited number of investments one or a few of its investments must perform very well. There are no assurances that this would be the case. Additionally, the financial instruments in which the Private Fund may invest may be among the most junior in an issuer's capital structure and, therefore, may be subject to the greatest risk of loss.

- **Investments in Emerging Markets.** Investing in emerging markets involves additional risks and special considerations not typically associated with investing in other more established economies or markets. Countries in the emerging markets may have their own history of default on external debt when their economies experience a downturn. These risks of sovereign default could adversely affect the value of a Private Fund's portfolio even in circumstances when the investment has not performed poorly. Further, emerging markets are generally heavily dependent upon international trade or the health of particular economies and, accordingly, have been and may continue to be adversely affected by trade barriers, exchange controls, managed adjustments in relative currency values and other protectionist measures imposed or negotiated by the countries with which they trade. The economies of certain emerging markets may be based predominantly on only a few industries and may be vulnerable to changes in trade conditions and may have higher levels of debt or inflation. In particular, certain commodities may occupy a prominent position in the economies of emerging markets and such economies are therefore sensitive to fluctuations in commodity prices. In addition, accounting, auditing and financial reporting standards, practices and disclosure requirements that prevail in emerging markets generally are not as high as standards in developed countries. Specifically, valuation of assets, depreciation, exchange differences, deferred taxation, contingent liabilities and consolidation may be treated differently from accounting standards in more developed countries and there is an increased risk of fraud or other deceptive practices. Consequently, less information is typically available concerning companies located in emerging markets. Accordingly, a Private Fund's ability to conduct effective due diligence in connection with its emerging market investments and to monitor such investments may be adversely affected by these factors.

Repatriation of investment income, assets and the proceeds of sales by investors foreign to such markets, such as a Private Fund, may require governmental registration and/or approval in some emerging markets. The Private Fund 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 emerging market countries on interest or dividends paid on financial instruments held by a Private Fund or gains from the disposition of such financial instruments.

In emerging markets, there is often less government supervision and regulation of business and industry practices, stock exchanges, over-the-counter markets,

brokers, dealers, counterparties and issuers than in other more established markets. Any regulatory supervision that is in place may be subject to manipulation or control. Some emerging market countries do not have mature legal systems comparable to those of more developed countries. Moreover, the process of legal and regulatory reform may not be proceeding at the same pace as market developments, which could result in investment risk. Legislation to safeguard the rights of private ownership may not yet be in place in certain areas, and there may be the risk of conflict among local, regional and national requirements or authorities. In certain cases, the laws and regulations governing investments in financial instruments may not exist or may be subject to inconsistent or arbitrary application or interpretation. Both the independence of judicial systems and their immunity from economic, political or nationalistic influences remain largely untested in many countries. A Private Fund may also encounter difficulties in pursuing legal remedies or in obtaining and enforcing judgments in non-U.S. courts.

- **Economic, Political and Regulatory Risks.** There is often a high degree of government regulation in non-U.S. economies, including in the securities markets. Action by such governments may directly affect foreign investment in securities in those countries and may also have a significant indirect effect on the market prices of securities and of the payment of dividends and interest.

Changes in policy and regulations with regard to taxation, fiscal and monetary policies, repatriation of profits, and other economic regulations are possible, any of which could have an adverse effect on private investments. Non-U.S. economies may differ favorably or unfavorably from the U.S. economy with regard to the rate of growth of gross domestic product, the rate of inflation, capital reinvestment, resource self-sufficiency and balance of payments.

- **Leverage for Investment Purposes.** A Private Fund may use leverage in Breakout Capital's discretion. The use of leverage will allow a Private Fund to make additional investments, thereby increasing its exposure to assets, such that its total assets may be greater than its capital. However, leverage will also magnify the volatility of changes in the value of a Private Fund's portfolio. The effect of the use of leverage by a Private Fund in a market that moves adversely to its investments could result in substantial losses to a Private Fund, which would be greater than if a Private Fund were not leveraged.
- **Borrowing for Cash Management Purposes.** A Private Fund may borrow for cash management purposes, such as to satisfy withdrawal requests.
- **Collateral.** The instruments and borrowings that may be utilized by a Private Fund to leverage investments may be collateralized by all or a portion of a Private Fund's portfolio. Accordingly, a Private Fund may pledge its securities in order to borrow or otherwise obtain leverage for investment or other purposes. Should the securities pledged to brokers to secure a Private Fund's margin accounts decline in value, a Private Fund could be subject to a "margin call," pursuant to which a Private Fund must

either deposit additional funds or securities with the broker or suffer mandatory liquidation of the pledged securities to compensate for the decline in value. The banks and dealers that provide financing to a Private Fund can apply essentially discretionary margin, “haircut,” financing and collateral valuation policies. Changes by counterparties in any of the foregoing may result in large margin calls, loss of financing and forced liquidations of positions at disadvantageous prices. Lenders that provide other types of asset-based or secured financing to a Private Fund may have similar rights. There can be no assurance that a Private Fund will be able to secure or maintain adequate financing.

- **Hedging Transactions.** A Private Fund may utilize a variety of financial instruments such as derivatives, options, swaps, caps and floors and forward contracts for risk management purposes in order to: (i) protect against possible changes in the market value of a Private Fund’s investment portfolio resulting from fluctuations in the securities markets and changes in interest rates, (ii) protect a Private Fund’s unrealized gains in the value of a Private Fund’s investment portfolio, (iii) enhance or preserve returns, spreads or gains on any investment in a Private Fund’s portfolio, (iv) hedge the interest rate or currency exchange rate on any of a Private Fund’s liabilities or assets, (v) protect against any increase in the price of any securities a Private Fund anticipates purchasing at a later date or (vi) for any other reason that Breakout Capital deems appropriate.

The success of a Private Fund’s hedging strategy will depend, in part, upon Breakout Capital’s ability to correctly assess the degree of correlation between the performance of the instruments used in the hedging strategy and the performance of the portfolio investments being hedged. Since the characteristics of many assets change as markets change or time passes, the success of a Private Fund’s hedging strategy will also be subject to Breakout Capital’s ability to continually recalculate, readjust and execute hedges in an efficient and timely manner. While a Private Fund may enter into hedging transactions to seek to reduce risk, such transactions may result in a poorer overall performance for a Private Fund than if it has not engaged in any such hedging transactions. For a variety of reasons, Breakout Capital may not seek to establish a perfect correlation between the hedging instruments utilized and the portfolio holdings being hedged. Such an imperfect correlation may prevent a Private Fund from achieving the intended hedge or expose a Private Fund to risk of loss.

- **Fundamental Analysis.** Certain trading decisions made by Breakout Capital may be based on fundamental analysis. Data on which fundamental analysis relies may be inaccurate or may be generally available to other market participants. Fundamental market information is subject to interpretation. To the extent that Breakout Capital misinterprets the meaning of certain data, a Private Fund may incur losses.
- **Reliance on Corporate Management and Financial Reporting.** Many of the strategies implemented by a Private Fund rely on the financial information made available by the issuers in which a Private Fund invests. Breakout Capital will have no ability to independently verify the financial information disseminated by the many issuers in

which a Private Fund invests and is dependent upon the integrity of both the management of these issuers and the financial reporting process in general. Past events have demonstrated the material losses which investors can incur as a result of corporate mismanagement, fraud and accounting irregularities.

- **Mid-Cap Securities.** A Private Fund may invest a portion of its assets in companies with medium-sized market capitalization (“Mid-Cap”), which may involve greater risk than investments in the listed securities of larger companies. Mid-Cap companies may be more volatile in price and less liquid than larger capitalization companies. Many Mid-Cap companies tend to have less access to capital markets, less negotiating power and less diverse product offerings and customer bases. Growth securities, including mid-cap securities, are generally more sensitive to market movements than other types of stocks, primarily because their prices are based heavily on future expectations. All these traits make the risk of severe business reversals or business failure higher for many medium size issuers than for larger companies, which would have an adverse effect on a Private Fund if it were holding a long position in such a company.
- **Small-Cap Securities.** A Private Fund may invest a portion of its assets in small and/or unseasoned companies. While smaller companies generally have potential for rapid growth, they often involve higher risks because they may lack the management experience, financial resources, product diversification, and competitive strength of larger companies. In addition, in many instances, the frequency and volume of the trading of securities for such companies may be substantially less than is typical of larger companies. Growth securities, including small-cap securities, are generally more sensitive to market movements than other types of stocks, primarily because their prices are based heavily on future expectations. As a result, the securities of smaller companies may be subject to wider price fluctuations. When liquidating large positions in small companies, a Private Fund may have to sell portfolio holdings at discounts from quoted prices or may have to make a series of small transactions over an extended period of time.
- **Derivative Instruments Generally.** Certain swaps, options and other derivative instruments may be subject to various types of risks, including market risk, liquidity risk, the risk of non- performance by the counterparty, including risks relating to the financial soundness and creditworthiness of the counterparty, legal risk and operations risk. Derivatives traded over- the-counter may not have an authoritative source of valuation and the models used to value such derivatives are subject to change. Special risks may apply in the future that cannot be determined at this time with respect to certain other derivative instruments that are not presently contemplated for use or that are currently not available.
- **Exchange-Traded Funds** Exchange-traded funds (“ETFs”) represent shares of ownership in either funds or unit investment trusts that hold portfolios of common stocks or bonds, which are designed to generally correspond to the price and yield performance of their underlying indexes, either broad stock market, stock industry sector, international stock, or U.S. bond. ETF shareholders are subject to risks similar to those of holders of other diversified portfolios. A primary consideration is that the



general level of stock or bond prices may decline, thus affecting the value of an equity or fixed-income ETF, respectively. This is because an equity (or bond) ETF represents an interest in a portfolio of stocks (or bonds). When interest rates rise, bond prices will generally decline, adversely affecting the value of fixed-income ETFs. Moreover, the overall depth and liquidity of the secondary market may also fluctuate. An exchange-traded sector fund may also be adversely affected by the performance of that specific sector or group of industries on which it is based. International investments may involve risk of capital loss from unfavorable fluctuations in currency values, differences in generally accepted accounting principles, or economic or political instability in other nations. Although ETFs are designed to provide investment results that generally correspond to the price and yield performance of their respective underlying indexes, ETFs may not be able to exactly replicate the performance of the indexes because of their expenses and other factors.

- **Illiquid Investments.** A Private Fund may invest in illiquid securities or other instruments, including both listed and unlisted instruments. Additionally, investments may become illiquid due to market conditions. The success of these investments is typically dependent not only upon the performance of such companies, but also upon Breakout Capital's ability to engineer effective "exit strategies" in order to realize any enterprise value created or to force the companies to create liquidity opportunities. These investments may consume a substantial amount of Breakout Capital's time. The market prices, if any, for these securities tend to be volatile and may not be readily ascertainable, and a Private Fund may not be able to sell them when it desires to do so or to realize what it perceives to be their fair value in the event of a sale. A Private Fund may be contractually prohibited from disposing of certain of these investments for a specified period of time. The sale of restricted and/or illiquid securities often requires more time and may result in higher brokerage charges than does the sale of more liquid securities. The limited liquidity of these investments may subject them to more extensive fluctuations in value and may impair the ability of a Private Fund to exit such investments in times of adversity. Companies whose securities are not publicly-traded generally will not be subject to public disclosure and other investor protection requirements applicable to publicly-traded securities. Illiquid positions also may be difficult to value and such valuation may require the exercise of substantial discretion by Breakout Capital.
- **Purchasing Securities in Initial Public Offerings.** A Private Fund is permitted to purchase securities of companies in initial public offerings or shortly thereafter. Special risks associated with these securities may include a limited number of shares available for trading, unseasoned trading, lack of investor knowledge of the company, lack of revenues and limited operating history. These factors may contribute to substantial price volatility for the shares of these companies. The limited number of shares available for trading in some initial public offerings may make it more difficult for a Private Fund to buy or sell significant amounts of shares without an unfavorable impact on prevailing market prices. Such risks may be exacerbated if one or more other accounts attempt to buy or sell the same securities as the Private Fund in any public offering. In addition, some companies in initial public offerings are involved in relatively new industries or lines of business, which may not be widely understood by

investors. Some of these companies may be undercapitalized or regarded as developmental stage companies, without revenues or operating income, or the near-term prospects of achieving them.

- **Non-U.S. Exchanges.** A Private Fund will trade in issuers on exchanges or markets located outside the U.S. Trading on such exchanges or markets is not regulated by the SEC and the CFTC and may, therefore, be subject to more risks than trading on U.S. exchanges, such as the risks of exchange controls, expropriation, burdensome taxation, moratoria and political or diplomatic events. Risks in investments in non-U.S. securities, futures, commodities and other securities may also include reduced and less reliable information about issuers and markets, less stringent accounting standards, illiquidity of securities and markets, higher brokerage commissions and custody fees.
- **Non-U.S. Investments.** Investing in the securities outside of the United States involves certain considerations not usually associated with investing in securities of U.S. companies or the U.S. government, including political and economic considerations, such as greater risks of expropriation, nationalization, confiscatory taxation, imposition of withholding or other taxes on interest, dividends, capital gains, other income or gross sale or disposition proceeds, limitations on the removal of assets and general social, political and economic instability; the relatively small size of the securities markets in such countries and the low volume of trading, resulting in potential lack of liquidity and in price volatility; the evolving and unsophisticated laws and regulations applicable to the securities and financial services industries of certain countries; fluctuations in the rate of exchange between currencies and costs associated with currency conversion; and certain government policies that may restrict a Private Fund's investment opportunities. In addition, accounting and financial reporting standards that prevail outside of the U.S. generally are not as high as U.S. standards and, consequently, less information is typically available concerning companies located outside of the U.S. than for those located in the U.S. As a result, a Private Fund may be unable to structure its transactions to achieve the intended results or to mitigate all risks associated with such markets. It may also be difficult to enforce a Private Fund's rights in such markets. For example, securities traded on non-U.S. exchanges and the non-U.S. persons that trade these instruments are not subject to the jurisdiction of the SEC or the CFTC or the securities and commodities laws and regulations of the U.S. Accordingly, the protections accorded to a Private Fund under such laws and regulations are unavailable for transactions on foreign exchanges and with foreign counterparties.
- **Risks Related to Responsible Investing :** While Breakout Capital does not select investments based on ESG factors, Breakout Capital believes a company's commitment to ESG is an important consideration in the investment process. Our investment framework and management focus on ESG corporate governance considerations provides a robust and reliable approach to direct global capital to responsible and efficient companies. We believe these considerations will work, over the course of the investing horizon, to produce a beneficial effect on the Private Fund's financial performance, but there can be no assurance that considering such criteria will have a positive effect on the Private Fund

Breakout Capital's investment processes are designed with an awareness of the risks listed above; however, it is impossible to eliminate all of these risks when investing. While individual portfolio structuring can take many of these risks into consideration, there can be no assurance of success in investing or that Breakout Capital's attempts to address risk will prove to be successful.

## **Item 9 – Disciplinary Information**

None.

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

### Private Funds

Breakout Capital is under common control with EM Revival Fund GP LLC. EM Revival Fund GP LLC is the general partner of EM Revival Master Fund LP, EM Revival Fund Offshore Fund LP, and EM Revival Fund Onshore Fund LP.

Breakout Capital will delegate certain investment advisory and other portfolio management functions to Breakout Capital Partners Advisors Private Limited, a company registered in India (the “Sub-Advisor”), pursuant to a sub-advisory agreement. Compensation to the Sub-Advisor, if any, is paid by Breakout Capital. Swanand Kelkar and Sidhartha Gupta are the directors of the Sub- Advisor. The Sub-Advisor is currently wholly-owned by Ruchir Sharma; however, it is expected that the Sub-Adviser may be acquired by the Investment Manager and may become a wholly- owned subsidiary of Breakout Capital or its affiliates. Breakout Capital will remain fully responsible for overseeing the EM Revival Master Fund's portfolio and for managing risk. Due to the nature of the services provided, the Sub-Advisor currently avails of an exemption from registration as an investment advisor in India pursuant to the SEBI (Investment Advisor) Regulations 2013.

Breakout Capital and the Sub-Advisor are collectively referred to in this Brochure as “Breakout Capital”.

Rockefeller Capital Management LP (“RCM”), a privately-owned financial services firm, has entered into a strategic partnership with Breakout Capital pursuant to which Rockefeller & Co. LLC (“Rock&Co”), a Delaware limited liability company and a subsidiary of RCM has agreed to provide strategic support services to Breakout Capital (including technology support, project implementation and human resources and other operational and back office services) (the “Rockefeller Support Service”). Rock&Co receives a fee (the “Services Fee”) in exchange for its provision of the Rockefeller Support Services, no portion of which will be payable by Breakout Capital . In addition, Breakout Capital has appointed Rockefeller Financial LLC (“RockFi”), a Delaware limited liability company and subsidiary of RCM, as a placement agent for the Fund. RockFi is entitled to share in the management Fee and incentive allocation received by Breakout Capital and EM Revival Fund GP, LLC with respect to capital that RockFi raises on behalf of the Private Funds. In addition, in connection with its strategic partnership with Breakout Capital, Rock&Co or its affiliate will upon achieving certain milestones, become entitled to share in a portion of the management fees and incentive allocations received by Breakout Capital and the General Partner, respectively.

Ruchir Sharma is the Managing Director and Chairman of Rockefeller International, an affiliate

of RCM, a role in which he will serve as a global brand ambassador for, and advisor to, RCM and receives compensation in connection with such role. Mr. Sharma will not act as a client advisor or portfolio manager to clients of RCM and its subsidiaries.

Neither RCM nor its subsidiaries or affiliates have any investment, trading authority or risk management responsibility for Breakout Capital or the positions held by Breakout Capital's clients and investment vehicles, including the Private Funds.

Ruchir Sharma, Breakout Capital, the EM Revival Fund GP LLC and their respective affiliates expect to provide investment management services to clients other than the EM Revival Master Fund LP, EM Revival Fund Offshore Fund LP, and EM Revival Fund Onshore Fund LP. Such additional clients may include, without limitation, investment funds, separately managed accounts and proprietary accounts.

## **Item 11 – Code of Ethics**

Breakout Capital may buy or sell for itself securities that it also recommends to clients. Breakout Capital has adopted a Code of Ethics to minimize conflicts of interest. The firm will provide a copy of the Code of Ethics to any client or prospective client upon request. The Code of Ethics restricts personal trading so that no employee can personally benefit from a trading program for clients.

### Personal Trading Policy

Breakout Capital's personal trading and conduct must recognize that our clients always come first, that we must avoid any actual or potential abuse of our positions of trust and responsibility, and that we must never take inappropriate advantage of our positions.

All employees must pre-clear personal securities transactions in any Covered Security, as defined in Section 202(a)(18) of the Advisers Act, prior to execution. Pre-clearance is requested through the automated compliance system and approval or denial is obtained from the Chief Compliance Officer or his/her designee.

Under the Code of Ethics, certain classes of securities have been designated as exempt transactions, based upon a determination that these would not materially interfere with the best interest of Breakout Capital's clients. As the Code of Ethics permits employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. Employee trading is continually monitored in order to identify potential conflicts of interest between Breakout Capital employees and its clients. To avoid any potential conflicts, Breakout Capital's Code of Ethics provides that no employee shall buy or sell a Covered Security within seven (7) days and will forgo profits if a position must be sold that Breakout Capital is trading the same security for a client account.

## **Item 12 – Brokerage Practices**

### Brokerage/Soft Dollar Practices

Breakout Capital will always have discretion as to the placement of brokerage (and accordingly, the commission rates paid). Breakout Capital has engaged third party service providers ("Trading

Desk”) for the outsourced trading in securities, derivatives and other financial instruments. In this function, the Trading Desk contacts non-affiliated broker-dealers on our behalf to execute trades for the Private Fund. Breakout Capital has acted on their own behalf to contract with various Broker Dealers and provides this list of approved brokers to the Trading Desk. In selecting brokers to effect portfolio transactions, Breakout Capital considers such factors as price, quality of execution, expertise in particular markets, the ability of the brokers to effect the transactions, the brokers’ facilities, reliability, reputation, experience, financial responsibility in particular markets, familiarity both with investment practices generally and techniques employed by clients and certain brokerage or research services (“soft dollar items”) provided by such brokers and clearing and settlement capabilities, subject at all times to principles of best execution, in accordance with Breakout Capital’s policies and procedures. In selecting broker/dealers to execute transactions, Breakout Capital need not solicit competitive bids and does not have an obligation to seek the lowest available commission cost. Breakout Capital believes that the broker-dealers that it recommends provide competitive transaction and custody costs, helping clients to eliminate or control costs and optimize the custodial structure to their benefit. When possible, Breakout Capital seeks to pre-negotiate preferred terms for its clients providing clients with the benefits associated with the economy of scale and custodial knowledge of the Firm. Certain brokers utilized by Breakout Capital may provide general assistance to Breakout Capital, including, but not limited to technical support, consulting services, and consulting services related to staffing needs. In selecting a broker, Breakout Capital may consider the broker’s general assistance and consulting services. To the extent Breakout Capital would otherwise be obligated to pay for such assistance, it has a conflict of interest in considering those services when selecting a broker.

To the extent a client account is maintained at a Prime / Introducing Broker, Breakout Capital may have discretion to select brokers or dealers other than the Prime Broker when necessary to fulfill its duty to seek best execution of transactions for the client’s account. However, brokerage commissions and other charges for transactions not effected through the Prime Broker typically are charged an additional fee to the client. For this reason, it is likely that most, if not all, transactions for such clients will be effected through the broker-dealer, as is the case with our Private Funds. In addition to providing transaction execution, our Prime Broker provides clearance and settlement, securities lending, financing, reporting and related services. These services are provided on an unsolicited basis at no charge to Breakout Capital.

From time to time, Breakout Capital may pay a broker-dealer commissions (or markups or markdowns with respect to certain types of riskless principal transactions) for effecting client transactions in excess of that which another broker-dealer might have charged for effecting the transaction in recognition of the value of the brokerage and research services provided by the broker-dealer. Breakout Capital will effect such transactions, and receive such brokerage and research services, only to the extent that they fall within the safe harbor provided by Section 28(e) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”) and subject to prevailing guidance provided by the SEC regarding Section 28(e). Breakout Capital believes it is important to its investment decision-making processes to have access to independent research.

Also, consistent with Section 28(e), research products or services obtained with “soft dollars” generated by clients may be used by Breakout Capital to service one or more other accounts, including accounts that may not have paid for the soft dollar benefits. Breakout Capital will generally seek to allocate soft dollar benefits to accounts in proportion to the soft dollar credits the accounts generate. Where a product or service obtained with soft dollars provides both research and non-research assistance to Breakout Capital (i.e., a “mixed use” item), Breakout Capital will

make a good faith allocation of the cost which may be paid for with soft dollars. In making good faith allocations of costs between administrative benefits and research and brokerage services, a conflict of interest may exist by reason of Breakout Capital's allocation of the costs of such benefits and services between those that primarily benefit Breakout Capital and those that primarily benefit the accounts.

At least annually, Breakout Capital considers the amount and nature of research and research services provided by broker-dealers, as well as the extent to which such services are relied upon, and attempts to allocate a portion of the brokerage business of its accounts on the basis of that consideration. Broker-dealers sometimes suggest a level of business they would like to receive in return for the various products and services they provide. Actual brokerage business received by any broker-dealer may be less than the suggested allocation, but can (and often does) exceed the suggested level, because total brokerage is allocated on the basis of all of the considerations described above. In no case will Breakout Capital make binding commitments as to the level of brokerage commissions it will allocate to a broker-dealer, nor will it commit to pay cash if any informal targets are not met. A broker-dealer is not excluded from receiving business because it has not been identified as providing research products or services.

From time to time, brokers may assist the Private Funds in raising additional funds from investors. Additionally, brokers may provide capital introduction and marketing assistance services, and representatives of Breakout Capital may speak at conferences and programs sponsored by the brokers, for investors interested in investing in private investment funds. Through such events, prospective investors in the Private Funds may encounter representatives of Breakout Capital. Brokers may also provide other services, including, without limitation, consulting services relating to technology and office space. Although neither Breakout Capital nor the Private Funds compensates brokers for such assistance, events or services, or for any investments ultimately made by prospective investors attending such events, such activities may influence Breakout Capital in deciding whether to use such broker in connection with brokerage, financing and other activities of the Private Funds. Subject to its obligation to seek best execution, Breakout Capital may consider referrals of investors to the Private Funds in determining its selection of brokers. However, Breakout Capital will not commit to an investor or a broker to allocate a particular amount of brokerage in any such situation.

Additional costs could be incurred in connection with the Private Funds' non-U.S. investment activities. Non-U.S. brokerage commissions generally are higher than in the United States. Increased custodian costs as well as administrative difficulties (such as the applicability of foreign laws to foreign custodians in various circumstances, including bankruptcy, ability to recover lost assets, expropriation, nationalization and record access) may be associated with the maintenance of assets in non-U.S. jurisdictions.

Breakout Capital does not allow directed brokerage. Securities transactions are executed by brokers selected by Breakout Capital in its discretion and without the consent of a Private Fund's investors. Breakout Capital may enter into directed brokerage arrangements in its discretion.

#### Aggregation of client orders and allocation of trades

If Breakout Capital or any of its affiliates manages multiple accounts and Breakout Capital determines that the purchase or sale of a security is appropriate with regard to more than one account, Breakout Capital may, but is not obligated to, purchase or sell such a security on behalf

of such accounts with an aggregated order, for the purpose of reducing transaction costs, to the extent permitted by applicable law. When an aggregated order is filled through multiple trades at different prices on the same day, each participating account will receive the weighted average price, with transaction costs generally allocated pro rata based on the size of each account's participation in the order (or allocation in the event of a partial fill) as determined by Breakout Capital in its discretion. In the event of a partial fill, allocations may be modified on a basis that Breakout Capital deems to be appropriate, including, for example, in order to avoid odd lots or de minimis allocations. When orders are not aggregated, trades generally will be processed in the order that they are placed with the broker or counterparty selected by Breakout Capital. As a result, certain trades in the same security for one account (including an account in which Breakout Capital and its personnel may have a direct or indirect interest) may receive more or less favorable prices or terms than another account, and orders placed later may not be filled entirely or at all, based upon the prevailing market prices at the time of the order or trade. In addition, some opportunities for reduced transaction costs and economies of scale may not be achieved.

### Cross Trades

Breakout Capital may determine that it would be in the best interests of client accounts to transfer a security or the right to participate in a security from one account to another (each such transfer, a "Cross Trade") for a variety of reasons, including, without limitation, tax purposes, liquidity purposes, to rebalance the portfolios of the accounts, or to reduce transaction costs that may arise in an open market transaction. If Breakout Capital decides to engage in a Cross Trade, Breakout Capital will determine that the trade is in the best interests of both of the accounts involved in it and take steps to ensure that the transaction is consistent with the duty to obtain best execution for each of those accounts.

Breakout Capital generally intends to execute Cross Trades, if at all, with the assistance of a broker-dealer who executes and books the transaction at the close of the market on the day of the transaction. Alternatively, a cross transaction between two accounts may occur as an "internal cross," where Breakout Capital instructs the custodian for the accounts to book the transaction at the price determined in accordance with its Valuation Policy. If Breakout Capital effects an internal cross, Breakout Capital will not receive any fee in connection with the completion of the transaction.

### Principal Transactions

To the extent that Cross Trades may be viewed as principal transactions due to the ownership interest in an account by EM Revival Fund GP, LLC, Ruchir Sharma, Breakout Capital or its personnel, EM Revival Fund GP, LLC and Breakout Capital will comply with the requirements of Section 206(3) of the Advisers Act. In connection with principal transactions, Cross Trades, certain other related-party transactions and certain other transactions and matters involving potential conflicts of interest, EM Revival Fund GP, LLC may form a committee at the Private Funds of one or more persons, who will not be an affiliate of EM Revival Fund GP, LLC who, on behalf of the Private Funds, will approve or disapprove, to the extent required by applicable law or deemed advisable by EM Revival Fund GP, LLC, such related-party transactions and conflicts of interest. Such committee may approve of such transactions prior to or at the same time with, or ratify such transactions subsequent to, their consummation. In no event will any such transaction be entered into unless it complies with applicable law. The person(s) so selected may be free from blame and protected by the Private Fund. Any decision of such committee will be binding on all

investors in the Private Funds.

### **Item 13 – Review of Accounts**

Breakout Capital offers investment advisory services to clients seeking an emerging markets investment strategy. Each client account is individually managed and Breakout Capital generally makes investment decisions at the client level consistent with the investment objectives and strategy of the client. Breakout Capital's Chief Investment Officer and/or a member of the investment team generally reviews each client account daily and makes changes as required in an effort to maximize the return to the underlying accounts and to implement any client instructions. At a minimum, full reports of performance, securities held in the portfolio and strategy are sent calendar quarterly.

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

Breakout Capital has not entered into an agreement with a broker-dealer or other investment adviser to solicit separately managed clients on its behalf.

Breakout Capital or its affiliates and/or the Private Funds may enter into agreements with placement agents providing for (i) a payment by an investor in a Private Fund to the particular placement agent, or (ii) one-time or ongoing payments from Breakout Capital based upon the amount of an investor's capital contributions in a Private Fund or the management fees and/or incentive allocations borne by an investor that was introduced to a Private Fund by the placement agent. If a prospective investor is introduced to a Private Fund through a placement agent, the arrangement, if any, with such placement agent will be disclosed to, and acknowledged by, such prospective investor. The third-party placement agents are not endorsing the Private Funds through the use of general advertising or solicitation.

Breakout Capital or an affiliate may compensate others to solicit investors in the Private Funds in accordance with an executed agreement. Such agreements will generally provide for the compensation of such person for their services at the Adviser's expense. The Adviser provides oversight of these arrangements including reviewing for the disqualification provisions prior to the execution of any agreements. Breakout Capital may also use a third party for purposes of identifying potential clients, which may or may not result in a client relationship.

### **Item 15 – Custody**

Breakout Capital is considered to have custody of Private Fund assets due to the fact that the General Partner of the Private Funds is a related person of Breakout Capital and that Breakout Capital has discretionary authority to direct Private Fund investments and debit fees directly from limited partner accounts. In order to comply with the requirements of Rule 206(4)-2 of the Investment Advisers Act of 1940, as amended, custody of Breakout Capital's Private Funds' assets is maintained by a Qualified Custodian and each Private Fund undergoes an annual audit by an independent accountant registered with the Public Company Accounting Oversight Board. Each Private Fund audit results in an audited financial statement that is prepared in accordance with Generally Accepted Accounting Principles that is subsequently distributed to all limited partners within 120 days of each Private Fund's fiscal year end.

Each Prime Broker will serve as a custodian to the Private Funds and will be responsible for the



safekeeping of the investments and other assets of the Private Funds delivered to it in accordance with general brokerage laws of the U.S. applicable to such Prime Broker (the “Private Fund’s Property”). The Prime Brokers will identify, record and hold the Private Fund’s Property in such a manner that the identity and location thereof can be identified at any time and so that the Private Fund’s Property will be readily identifiable as property belonging to, and held for the benefit of, the Private Fund and as separate from any of the Prime Brokers’ own property.

#### **Item 16 – Investment Discretion**

Breakout Capital provides discretionary management to Private Funds pursuant to the terms of a discretionary management agreement between the Private Fund and Breakout Capital. Private Funds are managed by Breakout Capital on a discretionary basis only. Investors in Private Funds may not impose any limitations or restrictions on Private Fund investments.

#### **Item 17 – Voting Client Securities**

Breakout Capital votes proxies in the best interests of clients. Breakout Capital has developed proxy voting guidelines and internal policies that Breakout Capital believes addresses issues based on sound corporate governance. The exclusive purpose of each voting decision is to maximize the economic value of the client’s investment. Breakout Capital may vote against management on specific issues which are deemed to impair shareholder rights or value. Specific guidelines include, but are not limited to, board of director issues, capitalization issues, shareholder rights and proxy voting, executive compensation, routine corporate issues, social responsibility issues and conflicts of interest. Other issues are considered in light of relevant facts and circumstances.

Breakout Capital has engaged ISS and their ISS Governance Services team to research, determine vote recommendations based on Breakout’s Proxy Voting and execute ballots. The investment team works with ISS to monitor voting decisions and ensuring that proxies are submitted timely. Breakout Capital may form special committees, from time to time, to address unusual proxy voting issues or conflicts. The investment team is responsible for making all proxy and corporate action decisions.

Breakout Capital will determine if securities that are held which are subject of a class action lawsuit or whether the Private Funds are eligible to participate in class action settlements or litigation and if appropriate will participate to recover damages for the Private Funds due to injuries as a result of actions, misconduct or negligence by issuers of securities held.

A report summarizing each corporate issue and corresponding proxy vote is available to clients upon request.

Breakout Capital attempts to vote all proxies related to the shares held in a client’s account.

If you are a client and would like a copy of Breakout Capital’s Proxy Voting Policy or would like a report on how Breakout Capital voted your shares, please send an email to Sherri Cohen at [scohen@breakout-capital.com](mailto:scohen@breakout-capital.com) or send a written request to:

Breakout Capital Partners, LP  
1 Rockefeller Plaza, Suite 1610  
New York, NY 10020

**Item 18 – Financial Information**

Breakout Capital is not required to disclose any financial information pursuant to this item as Breakout Capital does not require or solicit the prepayment of fees six months or more in advance. Furthermore, Breakout Capital has never been the subject of a bankruptcy petition and does not have a financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients.