



Fund Name: . . . . . Rosseau Limited Partnership  
 Style/Strategy: . . . . . Special Situations  
 Fund Launch Date: . . . . . December 31, 1998  
 Assets under Management: . . . . . \$50 million  
 Annualized Return Since Inception: . . . . .  
 . . . . . 46.3% (after all fees to November 30, 2001)  
 No. of Down Months: . . . . . 12/35  
 Leverage: . . . . . Yes  
 Minimum Investment: . . . . . \$500,000  
 Lock-up Period: . . . . . 1 year minimum  
 Redemption Policy: . . . . . Quarterly  
 Redemption Fee: . . . . . Yes, see Offering Memorandum  
 Fee Structure: . . . . . 2% plus 20% performance fee  
 High-Water Mark: . . . . . Yes  
 RSP Eligible: . . . . . No  
 Prime Broker: . . . . . BMO Nesbitt Burns  
 Auditor: . . . . . Ernst & Young LLP

matics, Master of Business Administration and is a Chartered Financial Analyst, utilizes a flexible and often aggressive investment style to maximize gains. Prior to establishing Rosseau Asset Management Ltd., he earned solid returns for one of the world's largest banks using similar investment strategies.

Special situations are difficult to characterize. They can involve bankruptcies, corporate reorganizations and financial restructurings as well as breakups and liquidations. In those instances, securities can often be mispriced. The partnership takes advantage of this mispricing through long and short strategies involving equity and fixed-income securities, including junk bonds, distressed debt, convertible bonds, preferred shares, common equity and various derivative instruments.

Irwin seeks situations that have attractive risk-reward characteristics. Leverage is used to increase the potential for returns when prudent. Investments are selected individually through intensive research, often with a catalyst in mind. Quite frequently, Rosseau's approach is described as contrarian, seeking investment opportunities in situations that are out of favour with investors or substantially overvalued due to excessive enthusiasm.

The fund may also be considerably less diversified than a typical mutual fund, depending to a large extent on the opportunities available. Investment horizons usually range from six months to several years, and as a result, the partnership is generally not an overly active trader.

Irwin maintains a substantial investment in the partnership. This investment, together with performance-based compensation, ensures the interests of the manager and investors are aligned.

# Rosseau Limited Partnership

Special Situation Investing



Since inception, Rosseau Limited Partnership has been a top performing hedge fund despite operating in some of the most difficult market conditions in decades. Although absolute annual returns are attractive, fund manager Warren Irwin cautions that his investment style does not produce smooth month-to-month returns, nor is it intended to, and is best suited for patient investors with a higher threshold for risk. Rosseau LP has a higher minimum investment than most of its peers — \$500,000 — and significant early redemption charges for partners that redeem before the end of the 1-year minimum hold period.

Irwin, who has a Bachelor of Mathe-

**CONTACT INFORMATION**

✉ Rosseau Asset Management Ltd.  
 ☎ 416-777-2558  
 🌐 www.rosseau-asset.com  
 An offering memorandum will be available upon request.

This article is for information only, and should not be construed as an offer, or a solicitation of an offer, to buy a security. Before making an investment, prospective investors should review each fund's offering documents, which summarize the fund's objectives, fees, expenses and associated risks.