

**NOT FOR USE OR DISTRIBUTION IN THE UNITED STATES OF AMERICA
OR THE EUROPEAN ECONOMIC AREA**

AXIOMA SPC

an exempted segregated portfolio operating as an open-ended fund incorporated with limited liability under the laws of the Cayman Islands under registration number HS-297597.

**CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM RELATING TO REDEEMABLE NON-VOTING
PARTICIPATING SEGREGATED PORTFOLIO SHARES IN SEGREGATED PORTFOLIOS OF AXIOMA SPC**

This Memorandum should be read in conjunction with the applicable Portfolio Supplement setting out further terms in respect of the Shares of any Segregated Portfolio (this Memorandum and each such Portfolio Supplement constituting the ***Offering Documents*** in relation to the Shares to be issued by the Fund on behalf of and for the account of a particular Segregated Portfolio). The terms of any Portfolio Supplement shall take precedence over any conflicting terms in this Memorandum.

May 2016

Investor Name

Memorandum Number

IMPORTANT INFORMATION

This Memorandum is furnished to each potential investor solely for the purpose of evaluating an investment in Shares issued in respect of a Segregated Portfolio of Axioma SPC (the **Fund**) offered by the Fund from time to time. Potential investors will also receive a supplement containing information relating to each particular Segregated Portfolio (each a **Portfolio Supplement**).

RESPONSIBILITY STATEMENT

The Directors, whose names appear in this Memorandum, accept responsibility for the information contained in the Offering Documents. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case), this Memorandum, when taken together with the information in the relevant Portfolio Supplement, describes the Shares of each Segregated Portfolio in all material respects and in the reasonable opinion of the Directors contains such information as is necessary to enable a prospective investor in a Segregated Portfolio to make an informed decision as to whether or not to subscribe for Shares. The Directors accept responsibility accordingly.

RELIANCE ON MEMORANDUM

The Shares are offered solely on the basis of the information and representations contained in the Offering Documents and the Articles. Any further information given or representations made by any person may not be relied upon as having been authorised by the Fund or the Directors. Neither the delivery of the Offering Documents nor the allotment or issue of Shares of any Segregated Portfolio shall under any circumstances create any implication that there has been no change in the affairs of the Fund since the date hereof. Management Shares are not being offered for subscription pursuant to the Offering Documents.

Certain information contained in the Offering Documents constitutes “forward-looking statements”, which can be identified by the use of forward-looking terminology such as “may”, “will”, “should”, “expect”, “anticipate”, “project”, “estimate”, “intend”, or “believe” or the negatives thereof or other variations thereon or comparable terminology. Due to various risks and uncertainties, including those described in this Memorandum in the sections headed “Risk Factors” and “Conflicts of Interest”, actual events or results or the actual performance of Shares of a Segregated Portfolio may differ materially from those reflected or contemplated in such forward-looking statements.

Each prospective investor in a Segregated Portfolio is encouraged to carefully review the Articles, this Memorandum and the relevant Portfolio Supplement. To the extent of any inconsistency between this Memorandum and such documents, the terms of such documents shall prevail.

References in the Offering Documents to the Fund and/or a Segregated Portfolio shall where the context requires, be deemed to be references to the Fund acting on behalf of and for the account of such Segregated Portfolio. In addition, references in the Offering Documents to Shares shall, where the context requires, be deemed to be references to Shares attributable to the particular relevant Segregated Portfolio or Segregated Portfolios.

This Memorandum is based on the laws and practices currently in force in the Cayman Islands and is subject to changes therein.

REGISTRATION AND SUPERVISION IN THE CAYMAN ISLANDS

The Fund is an exempted segregated portfolio company incorporated on 16 March 2015 under Cayman Islands law under registration number HS-297597. The Fund is subject to the Companies Law (Revised) (the **Companies Law**) and the Mutual Funds Law (Revised) (the **MF Law**) both of the Cayman Islands. The Fund is a single legal entity, but the provisions of the Companies Law enable the Fund to create Segregated Portfolios such that, subject to certain formalities, the assets and liabilities of each Segregated Portfolio are legally segregated from the assets and liabilities of any other Segregated Portfolio and the General Assets and General Liabilities of the Fund.

The Fund falls under the definition of a “mutual fund” as defined in the MF Law and as such will be registered with the Cayman Islands Monetary Authority (**CIMA**) under the provisions of Section 4(3) of the MF Law. Such registration does not involve an examination of the merits of an investment in the Fund and does not entail supervision of the investment performance or portfolio of the Fund or any of its respective Segregated Portfolios by CIMA, which accepts no responsibility for the financial soundness of the Fund or any Segregated Portfolio or for the correctness of any statements or opinions expressed herein or therein. There is no financial obligation or compensation scheme imposed on the Fund or any of its respective Segregated Portfolios or administered by CIMA in favour of or which is available to the investors in the Fund. For a summary of the continuing regulatory obligations of the Fund and a description of the regulatory powers of CIMA, see the section entitled **Taxation and Cayman Islands Regulation** of this Memorandum.

SUITABILITY

The Shares are suitable only for sophisticated investors who do not require immediate liquidity for their investments, for whom an investment in the Fund does not constitute a complete investment programme and who fully understand and are willing to assume the risks involved in the Fund’s investment programme. The Fund’s investment practices, by their nature, may be considered to involve a substantial degree of risk. Subscribers for Shares must represent that they are acquiring the Shares for investment.

RESTRICTIONS ON TRANSFER

The Shares are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted by the Articles and applicable law. Investors should be aware that they will be required to bear the financial risks of an investment in the Shares for an extended period of time. Save as provided in any applicable Portfolio Supplement there will be no public market for the Shares nor is any liquid secondary market for the Shares expected to develop, and there is no obligation on the part of any person to register the Shares under any law, rule or regulation.

CONFIDENTIALITY

This Memorandum, any accompanying Portfolio Supplement and the information contained herein and therein are confidential and are intended only for the use of sophisticated investors to whom the Offering Documents are distributed and their representatives and advisors. Any reproduction or distribution of the Offering Documents in whole or in part, or any divulgence of any of their respective contents, other than to prospective investors and their authorised representatives and advisors is strictly prohibited. The offeree, by accepting delivery of the Offering Documents, agrees to return the offering

materials and all accompanying or related documents to the Fund upon request if the offeree does not agree to purchase any of the Shares offered in a Segregated Portfolio.

NO US OFFERING

The Shares have not been registered under the United States Securities Act of 1933, as amended, and will not be filed with or approved or disapproved by any regulatory authority of the United States or any state thereof, nor has any such regulatory authority passed upon or endorsed the merits of this offering or the accuracy or adequacy of the Offering Documents. Any representation to the contrary is unlawful. There will be no private or public offering of the Shares in the United States and Shares may not be held directly or indirectly for the benefit of any US Person (as defined herein).

DISTRIBUTION IN THE EUROPEAN ECONOMIC AREA

As at the date of this Memorandum, the Fund has not been approved, notified or registered in accordance with the Alternative Investment Fund Managers Directive (Directive 2011/61/EU) (the **AIFMD**) for marketing to professional investors in any member state of the European Economic Area (the **EEA**) and the Fund is not being “marketed” (as such term is defined for the purposes of the AIFMD) to investors in the EEA. Such approval may be sought or notification or registration made in the future. This Memorandum may therefore only be transmitted to an investor in a member state of the EEA at that investor’s own initiative.

None of the Fund’s service providers performs any functions of a depositary under the AIFMD and, amongst other matters, no investor shall be entitled to receive any disclosure or report required pursuant to the AIFMD in respect of an alternative investment fund being marketed in any EEA member state and no reports will be filed with any competent authority in any EEA member state by or in respect of the Fund.

OFFERING RESTRICTIONS

The distribution of the Offering Documents and the offering of Shares in certain jurisdictions may be restricted and accordingly persons into whose possession the Offering Documents may come are required by the Fund to inform themselves of and to observe any such restrictions. Any offering restrictions set out in the Offering Documents are for indicative purposes only. The Offering Documents do not constitute an offer or solicitation to any person in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it would be unlawful to make such offer or solicitation.

Shares will only be offered to Eligible Investors as such term is defined in this Memorandum as modified by the applicable Portfolio Supplement. The Shares are offered subject to the right of the Fund to reject any subscription in whole or in part. The Fund will not issue Shares to any person if, in the sole discretion of the Directors, it determines that the issuance of such Shares could cause adverse consequences for the Fund, any Segregated Portfolio or any of its Shareholders. Moreover, the Fund may, in the sole discretion of the Directors, and at any time, require the redemption or transfer of all or any part of any such person’s Shares to avoid such adverse consequences.

GENERAL

The above information is for general guidance only, and it is the responsibility of any person or persons in possession of the Offering Documents and wishing to make an application for Shares to inform

themselves of, and to observe, all applicable laws and regulations of any relevant jurisdiction. Prospective applicants for Shares should inform themselves as to legal requirements also applying, and any applicable exchange control regulations and applicable taxes in the countries of their respective citizenship, residence or domicile.

RISK FACTORS

Investment in any Segregated Portfolio carries substantial risk. There can be no assurance that the investment objectives of a Segregated Portfolio will be achieved and investment results may vary substantially over time. Investment in one or more Segregated Portfolios is not intended to be a complete investment programme for any investor. Prospective investors should carefully consider whether an investment in Shares is suitable for them in light of their circumstances and financial resources and the risks inherent in such investment (see further under the sections headed *Risk Factors* and *Conflicts of Interest*).

If you are in any doubt about the contents of the Offering Documents you should consult your stockbroker, financial advisor or other professional advisor.

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INTRODUCTION

FUND VEHICLE

The Fund was incorporated and registered as a segregated portfolio company limited by shares on 16 March 2015 under registration number HS-297597. The Fund is subject to the Companies Law and the MF Law. The Fund is a single legal entity, but the provisions of the Companies Law enable the Fund to create Segregated Portfolios such that, subject to certain formalities, the assets and liabilities of each Segregated Portfolio are legally segregated from the assets and liabilities of any other Segregated Portfolio and the General Assets and General Liabilities of the Fund.

REGULATION

The Fund constitutes a “mutual fund” as defined in the MF Law and as such will be registered with CIMA under the provisions of Section 4(3) of the MF Law.

STRUCTURE

This Memorandum sets out information relating to the Fund and its structure. This Memorandum shall be accompanied by a Portfolio Supplement which sets out the details of the relevant Segregated Portfolio and the Class or Classes of Shares of such Segregated Portfolio being offered by the Fund.

Where appropriate, references in this Memorandum to the investment activities of the “Fund” shall mean the investment activities of the Fund on behalf of and for the account of the relevant Segregated Portfolios and general references to the Fund may include the Fund on behalf of and for the account of its relevant Segregated Portfolios, as the context requires.

Subject to the Companies Law and the MF Law, the Directors of the Fund may create Segregated Portfolios and Classes and Series of Shares within Segregated Portfolios as they may in their sole and absolute discretion determine, without the approval of Shareholders. Each such Segregated Portfolio will have its own Portfolio Supplement.

THE SEGREGATED PORTFOLIOS

The overall investment objective of each Segregated Portfolio shall be set out in its Portfolio Supplement. The investment objective of any Segregated Portfolio shall include any liquidation or wind-down of such Segregated Portfolio by the Fund or any duly authorised agent of the Fund, whether formal or informal. In the event that the descriptions or terms in this Memorandum in relation to any Segregated Portfolio are inconsistent with, or contrary to, the descriptions or terms in its Portfolio Supplement, the Portfolio Supplement shall prevail. Separate accounts and records will be maintained for each Segregated Portfolio and each Segregated Portfolio will not indemnify or otherwise be liable for the obligations of the other Segregated Portfolios.

The Fund may invest on behalf of and for the account of a Segregated Portfolio directly in Investments and Underlying Funds, or through subsidiaries established for the benefit of a Segregated Portfolio in order for such Segregated Portfolio inter alia to take advantage of tax treaty benefits available in countries in which such Investments are made.

EXECUTIVE SUMMARY

The following summary is qualified in its entirety by reference to the more detailed information included elsewhere in this Memorandum, the applicable Portfolio Supplement and the Articles.

An investment in any Segregated Portfolio is speculative and involves substantial risks and potential conflicts of interest. Shares are suitable only for investors who can afford to lose all or a substantial portion of their investment. See ***Risk Factors*** and ***Conflicts of Interest***.

The Offering

This Memorandum relates to offers of Shares by the Fund on behalf of and for the account of Segregated Portfolios from time to time. The Fund may offer multiple Classes of Shares on each Subscription Day in accordance with and subject to the terms and restrictions set out in the Offering Documents and the Articles. Information relating to each Class of Shares comprised in each Segregated Portfolio will be included in the applicable Portfolio Supplement.

The Fund may offer Classes of Shares that differ in terms of fees, permitted Subscription Days, Redemption Days and Redemption Notice Periods, minimum subscription amounts, the Base Currency and in any other respects. No certificates will be issued for Shares. Investors will, however, receive written confirmation of their holdings.

The Fund may issue each Class of Shares of a Segregated Portfolio in Series, the first Series of a Class being the “Initial Series” and subsequent Series being numbered sequentially.

Each Series of a Class of Shares may be re-designated and converted (i.e. rolled up) by way of redemption and reissue into Shares of the Initial Series of the relevant Class, as more particularly described in the relevant Offering Documents. Shares will generally only be issued in Series for the purposes of applying different Performance Fees which shall be applicable to each Series, subject to Series roll-up as described herein.

Segregation

In a segregated portfolio company such as the Fund, principles relating to the payment of dividends or other distributions, and the payment of the redemption price of Shares, are applied to each Segregated Portfolio in isolation. Payments in respect of dividends, distributions and redemptions of Shares may only be paid out of the assets of the Segregated Portfolio in respect of which the relevant Shares were issued. Segregated Portfolio Assets are only available to meet liabilities of creditors of the Fund who are creditors in respect of the relevant Segregated Portfolio, and are protected from, and are not available to, creditors of the Fund who are not creditors in respect of that Segregated Portfolio.

The Fund may also achieve segregation of the assets and liabilities of each Segregated Portfolio by entering into separate contractual arrangements

with the Investment Manager, Administrator, Custodians, foreign exchange and clearing brokers on behalf of and for the account of each Segregated Portfolio and/or through the use of contractual limited recourse language.

Minimum Subscription	Unless otherwise specified in the relevant Portfolio Supplement and subject always to the requirements of Cayman Islands law, the minimum initial subscription amount for each new investor in a Segregated Portfolio is US\$100,000 or its equivalent in another currency. The Directors may accept or reject any initial or additional subscriptions in their sole discretion.
Subscription Procedure	The subscription procedure is set out in the Offering Documents.
Dividends	The terms of dividends, if any, payable on Shares will be set out in the applicable Portfolio Supplement.
Eligible Investors	The Shares are offered only to certain eligible investors as detailed under the heading <i>Eligible Investors</i> herein.
Redemptions	Shares may be redeemed on any Redemption Day in accordance with and subject to the terms and restrictions set out in the Offering Documents and the Articles.
Valuations	The Net Asset Value of each Segregated Portfolio and of each Share of a Segregated Portfolio will be calculated on the Valuation Days specified in the relevant Portfolio Supplement.
Investment Manager	Axioma Wealth Management AG, unless otherwise specified for a particular Segregated Portfolio, as set out in the relevant Portfolio Supplement.
Custodian	Any custodian and/or prime broker of the Fund as set out in each Portfolio Supplement.
Administrator	Apex Fund Services (Malta) Limited., unless otherwise specified for a particular Segregated Portfolio, as set out in the relevant Portfolio Supplement.
Auditor	KPMG.
Legal Advisor as to Cayman Islands law	Harney Westwood & Riegels LLP.

INVESTMENT OBJECTIVES AND STRATEGIES OF THE SEGREGATED PORTFOLIO

As and when Segregated Portfolios are established, the particular investment objectives, strategies, restrictions and leverage to be employed by each Segregated Portfolio will be determined by the Directors at the time of creation of each such Segregated Portfolio and set out in the relevant Portfolio Supplement.

The investment objective, strategy and restrictions of a Segregated Portfolio may be changed by the Directors at any time provided that the Directors shall provide the Shareholders of the relevant Segregated Portfolio with 30 days' prior written notice of any material change.

If a Segregated Portfolio is listed on a stock exchange, any such listing will take place only in accordance with the rules of the relevant stock exchange.

No assurance can be given that a Segregated Portfolio's investment objectives will be achieved or that investors will receive a return on their invested capital. Moreover, Shareholders may lose some or all of their investment. An investment in the Shares involves significant risks. Potential investors should pay particular attention to the information in the sections headed ***Risk Factors*** and ***Conflicts of Interest*** and to any additional risk factors and conflicts of interest information in the relevant Portfolio Supplement. Investment in a Segregated Portfolio is suitable only for sophisticated investors and requires the financial ability and willingness to accept the high risks inherent in such investment.

BORROWING POWERS

Save as otherwise set out in the relevant Portfolio Supplement, the Directors may exercise all borrowing powers on behalf of and for the account of a Segregated Portfolio and may charge or pledge a Segregated Portfolio's assets as security for such borrowings.

ESTABLISHMENT OF SEGREGATED PORTFOLIOS

Segregated Portfolios and Classes and Series of Shares attributable to any Segregated Portfolio may be established by the Fund at any time without the approval of Shareholders. Each such additional Segregated Portfolio will have its own Portfolio Supplement.

MANAGEMENT OF THE FUND

DIRECTORS OF THE FUND

The Directors review and assess the investment policy and performance of each Segregated Portfolio and generally supervise the conduct of the affairs of the Fund. The Directors may elect one or more additional persons to serve as Directors or to fill vacancies. The Directors have ultimate authority over the Fund's operations, although the Directors have delegated all of the day-to-day management of the investment and trading decisions of the Fund to the Investment Manager and have delegated responsibility for administration of the Fund to the Administrator, and may delegate other responsibilities to other persons and entities as they see fit.

The Directors review the operations of the Fund at regular meetings and it is the current intention of the Directors to meet at least semi-annually to consider the Net Asset Value reports of the Administrator, the audited annual accounts and the reports of the Investment Manager in respect of each Segregated Portfolio. The Investment Manager shall provide such other information as may from time to time be reasonably required by the Directors for the purpose of such meetings. Save for the periodic reviews referenced above the Directors will not be responsible for the day-to-day operations of the Fund and in particular will not have any responsibility for reviewing or approving the trades, borrowings or other actions or omissions of the Investment Manager on behalf of the Fund.

The backgrounds of each of the Directors are summarised below.

Josef Meyer

Is a Chairman of the Board of Axioma Wealth Management AG. He is approved and regulated by the Cayman Islands Monetary Authority and is registered as a Professional Director under The Directors Registration and Licensing Law, 2014. Josef brings to the Fund a wealth of knowledge and over a decade of experience including asset management, portfolio management, private banking and export and trade finance.

He is a recognized private banking expert and pioneer in introducing the asset manager-client-bank idea to the Russian and Eastern European market. Prior to his chairmanship at AXIOMA, Josef was Director for Regional Development at Renaissance Investment Management. He also worked at UBS AG in Zurich as a client advisor. Josef is a member of the Swiss Association of Asset Managers. Apart from German, Josef is fluent in Russian, English and French.

Ivana Faltysova

Ivana Faltysova serves as an independent director with DMS Offshore Investment Services (DMS) where she oversees fund governance for a portfolio of hedge fund clients and provides oversight to a team of professionals in the administration of fund governance services.

Ms. Faltysova has a well-rounded background in financial sector and governance policies, including investment structuring, transactional negotiations, international business and regulatory legislation.

Ms. Faltysova has prior experience as an Associate Director at DMS where she has been supporting the directors in their fund governance role for a portfolio of investment funds.

Prior to her current role at DMS, Ms. Faltysova served as Trust Officer at Royal Trust Corporation of Canada, where she was responsible for discretionary management and administration of a book of estates and trusts.

From 2009 to 2011, she worked as in-house legal counsel and a director of Horizon21 (Cayman) Ltd., a Cayman branch of Swiss-based investment manager with AUM of US\$10 billion during that period. She served as a director on the boards of over 30 investment vehicles managed by the company, including fund of funds and private equity structures. Prior to moving to the Cayman office, she was the Vice President with the Legal Restructuring team of the firm's office in Bratislava, The Slovak Republic from 2006 to 2009.

She holds a Masters of Law degree from Comenius University, Bratislava. She also had training in the International Swaps and Derivatives Master Agreement and completed an internship at a leading reinsurance law firm in London, where she specialized in structuring of insurance-linked products.

Ms. Faltysova is a Registered Director with the Cayman Islands Monetary Authority and a member of the Cayman Islands Directors Association.

Apart from her native Slovak and Czech languages, she is fluent in English and German.

Kevin A. Phillip

Kevin Phillip is a Director of DMS Offshore Investment Services (DMS) and serves as an independent director on the boards of a variety of hedge fund and related structures. He leads a team of professionals at DMS, supervising the fund governance of hedge funds and providing guidance on accounting, regulatory, legal and financial issues.

He also serves as Business Unit Leader of the DMS Tax Information Services team, a specialist group of attorneys, accountants, and compliance experts that deliver customized solutions to meet international tax compliance obligations.

He also plays a lead role with DMS Outsourcing Ltd., directing its team of specialists that offer governance and business process outsourcing services for a portfolio of investment management clients.

Mr. Phillip gained experience working as an auditor with Ernst & Young in New York and the Cayman Islands, focusing on large international financial institutions, domestic and offshore hedge funds and mutual funds. His hedge fund client base had assets in excess of US\$12 billion under management.

He qualified as a Certified Public Accountant in New York and holds a Master of Science degree in Accountancy from the University of Notre Dame, as well as a Bachelor of Business Administration degree in Accounting and a Bachelor of Business Administration degree in Finance, Summa Cum Laude, from North Carolina Central University. He is a member of the American Institute of Certified Public Accountants and is an approved principal of entities registered with the National Futures Association.

Mr. Phillip is registered as a Professional Director with the Cayman Islands Monetary Authority and is designated as an Accredited Director by the Chartered Secretaries of Canada.

DIRECTORS' LIABILITY

Indemnity

The Directors and Officers are entitled to be indemnified by the Fund solely out of the Segregated Portfolio Assets against all expenses (including legal fees), losses or liabilities which they sustain or incur in or about the execution of their duties attributable to such Segregated Portfolio, or otherwise in connection with their office provided that such expenses, losses or liabilities have not arisen as a result of the wilful default, wilful neglect or fraud of such Director or Officer.

Exclusion of Liability

No Director or Officer shall be liable for the acts, receipts, neglects or defaults of any other Director or Officer or for joining in any receipt or other act for conformity or for any loss or expense incurred by the Fund or any Segregated Portfolio through the insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Fund or on behalf of and for the account of any Segregated Portfolio or for the insufficiency or deficiency of any security in or upon which any of the monies of the Fund or any Segregated Portfolio shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person with whom any Investments or effects shall be deposited, or for any loss, damage or misfortune whatever incurred in the execution of the duties of his or her respective office or in relation thereto unless the same happens through such person's own wilful default, wilful neglect or fraud.

Insurance

The Fund may purchase and maintain insurance in relation to any person who is or was a Director or Officer.

DIRECTORS' FEES

The Directors of the Fund may receive for their services such remuneration as may be determined by the Fund from time to time. In addition, the Directors may also grant special remuneration to any Director who, being called upon, shall perform any special or extra services to or at the request of the Fund, including sitting on any committee appointed from time to time by the Directors. Each Director may also be paid reasonable travelling, hotel and other incidental expenses incurred in attending meetings of the Directors and general meetings of the Fund.

Each Segregated Portfolio shall bear such fees (if any) *pro rata* by reference to the number of Segregated Portfolios from time to time.

INVESTMENT MANAGER

Although the Directors retain overall control over the formulation of investment strategy, the Fund shall appoint investment managers to manage the investments of each Segregated Portfolio. The Fund may appoint different investment managers to manage different Segregated Portfolios. As at the date of this Memorandum, the Fund has appointed Axioma Wealth Management AG as investment manager (the **Investment Manager**). The Investment Manager is based in Zurich and its address is Bleicherweg 45, 8002 Zurich, Switzerland. The Investment Manager is a Member of the Swiss Association of Asset Managers.

Unless otherwise stipulated in relation to a Segregated Portfolio, the Investment Manager serves as investment manager to each of the Segregated Portfolios. The Investment Manager performs its services pursuant to an investment management agreement between the Fund acting on behalf of and for the account of each relevant Segregated Portfolio and the Investment Manager (the **Investment Management Agreement**). The Investment Manager may act as investment manager or advisor to other mutual funds established in the Cayman Islands or elsewhere, any of which may be competing with Segregated Portfolios in the same markets. In addition to the Investment Manager, a Segregated Portfolio may be advised, either under direct appointment or indirectly by appointment of the Investment Manager, by an investment advisor. The appointment of any investment advisor will be stipulated in the Portfolio Supplement of the relevant Segregated Portfolio. If no investment advisor is stipulated in the Portfolio Supplement then none will have be appointed in respect of the applicable Segregated Portfolio.

The persons principally responsible for the investment management of the Fund at the Investment Manager are as follows : Josef Meyer

Josef Meyer

Is a Chairman of the Board in Axioma Wealth Management AG. He is approved and regulated by the Cayman Islands Monetary Authority and is registered as a Professional Director under The Directors Registration and Licensing Law, 2014. Josef brings to the Fund a wealth of knowledge and over a decade of experience including asset management, portfolio management, private banking and export and trade finance.

He is a recognized private banking expert and pioneer in introducing the asset manager-client-bank idea to the Russian and Eastern European market. Prior to his chairmanship at AXIOMA, Josef was Director for Regional Development at Renaissance Investment Management. He also worked at UBS AG in Zurich as a client advisor. Josef is a member of the Swiss Association of Asset Managers. Apart from German, Josef is fluent in Russian, English and French.

INVESTMENT MANAGEMENT AGREEMENT

The Directors will delegate all of the day-to-day management of the investment and trading business of each Segregated Portfolio to the Investment Manager pursuant to a separate Investment Management Agreement made between the Fund acting on behalf of and for the account of the relevant Segregated Portfolio and the Investment Manager, pursuant to which the Investment Manager will be exclusively responsible for, inter alia, all of the trading and investment decisions to be made with respect to that Segregated Portfolio, for exercising any voting rights in respect of the Investments held on behalf of that Segregated Portfolio and for determining the amount and terms of any leverage to be employed by the Fund acting for and on behalf and for the account of that Segregated Portfolio, subject to the overall policy and supervision of the Directors.

The Investment Management Agreement shall continue and remain in force unless and until terminated by either party giving to the other party not less than 90 days' written notice.

Notwithstanding the foregoing, either party (the notifying party) may terminate the Investment Management Agreement immediately by notice in writing to the other party if at any time: (i) the other party shall commit a material breach of the provisions of the Investment Management Agreement and (if

such breach shall be capable of remedy) shall not have remedied that within thirty days after the receipt of written notice requiring it to be remedied; or (ii) the other party is liquidated or dissolved (except for a voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the notifying party) or is unable to pay its debts as they fall due or commits any act of bankruptcy under the laws of any jurisdiction to which that party may be subject or if a receiver is appointed in respect of any of the assets of the other party. The Investment Management Agreement shall automatically terminate in respect of a Segregated Portfolio upon the termination or winding up, howsoever arising, of such Segregated Portfolio. Either party may terminate the Investment Management Agreement forthwith by notice in writing to the other party if at any time any law shall be passed or any regulation made which renders it illegal or, in the reasonable opinion of the party so terminating the Investment Management Agreement, impracticable or inadvisable for the Investment Management Agreement to continue in force.

The Investment Manager shall be entitled to fees from the Fund in respect of each Segregated Portfolio managed, as more fully provided in the relevant Investment Management Agreement and the relevant Offering Documents.

The Investment Manager shall pay all of the expenses incurred by it arising from the performance of its obligations under an Investment Management Agreement including, without limitation, the payment of salaries, telephone, cable, telex and facsimile charges and other advisory and operating expenses and shall not be entitled to be reimbursed by the Fund or out of the assets of the relevant Segregated Portfolio for any such expenses.

There are no provisions requiring the Investment Manager to indemnify and/or hold harmless the Fund (in each case whether on behalf of and for the account of a Segregated Portfolio or on its own account). Neither the Investment Manager nor any of its directors, officers, employees or shareholders (each an **Indemnified Person**) shall be liable for loss or damage arising directly or indirectly out or in connection with the performance by the Investment Manager of its duties or obligations unless such loss or damage is due to the gross negligence, wilful default or fraud of the Investment Manager or the Indemnified Person.

The Investment Manager shall be entitled, without the Fund's prior consent, to delegate the performance of certain duties to any associate or reasonably qualified investment advisor including, without limitation, the issue of trade confirmations and the completion of reconciliations. The Investment Manager shall procure that in any delegation of its obligations or duties under the Investment Management Agreement, the delegate shall comply with the terms of the Investment Management Agreement and/or such separate agreement as may be entered into between such delegate and the Investment Manager, as appropriate and the Investment Manager shall remain liable for the acts or omissions of any person to whom it has delegated any of its functions, powers and duties. The Investment Manager shall be responsible for the costs associated with any such delegation including, without limitation, any fees and expenses of the delegate.

Liabilities, claims, costs, fees and expenses payable by the Fund on behalf of and for the account of a particular Segregated Portfolio under the Investment Management Agreement shall not be payable out of the General Assets or the Segregated Portfolio Assets attributable to any other Segregated Portfolio.

SERVICE PROVIDERS

ADMINISTRATOR

The Fund has appointed Apex Fund Services (Malta) Limited (the **Administrator**) to perform fund accounting, fund administration and transfer agency services for each of the Segregated Portfolios (unless otherwise specified for a particular Segregated Portfolio).

The Administrator is a private limited liability company registered and incorporated in Malta with company registration number C 42646 and having its registered office at Central North Business Centre, Level 1, Sqaq il-Fawwara, Sliema SLM1670, Malta.

The Administrator is part of the Apex Group, a global provider of fund administration services with 34 offices across the globe, ISAE 3402/SSAE16 audited, independently owned with over US\$30 billion under administration. Apex Group provides specialist fund administration, share registrar, corporate secretarial services and directors to funds and collective investment schemes globally.

Pursuant to separate Administration Agreements made between the Fund, acting on behalf of and for the account of each of the Segregated Portfolios and the Administrator (each, as amended from time to time, an **Administration Agreement**), the Administrator will perform all general administrative tasks for Fund on behalf of and for the account of each Segregated Portfolio, including the preparation of valuations, keeping of financial records and acting as registrar and transfer agent.

Each Administration Agreement provides that the Administrator shall exercise reasonable care in the performance of its duties under the Administration Agreement and shall not be liable for any loss of any nature whatsoever suffered by the Company and/or the relevant Segregated Portfolio in connection with the performance by the Administrator of its obligations under the Administration Agreement, except loss resulting directly from negligence, wilful misconduct, default, fraud, bad faith or breach of the relevant Administration Agreement or the Laws (as defined below) on the part of the Administrator or any of its officers, employees, agents or delegates. Further, the relevant Administration Agreement provides that the Administrator shall not be liable for any indirect, special or consequential loss howsoever arising. For the purpose of each Administration Agreement, "**Laws**" means the laws of Malta and Cayman Islands (including delegated legislation and rules and regulations of any competent authority) and any other applicable laws and regulations for the time being in force, applicable to the relevant Administration Agreement.

In accordance with the terms of each Administration Agreement, such Administration Agreement may not be terminated within one (1) year of the date of this Agreement unless mutually agreed between both parties and thereafter by any party by an instrument in writing delivered or posted to the other party, such termination to take effect upon the expiration of ninety (90) calendar days from receipt of such notice.

Notwithstanding the foregoing, each Administration Agreement may be terminated forthwith by any party giving notice in writing to the other party in certain circumstances, as set out in the Administration Agreement.

The Administrator is a service provider to the Fund and, as such, bears no responsibility for the content of this Memorandum, the investments of the Fund, the performance of the Fund nor any matter other than as specified in the applicable Administration Agreement.

Liabilities, claims, costs, fees and expenses payable by the Fund on behalf of and for the account of a particular Segregated Portfolio under the Administration Agreement shall not be payable out of the General Assets or the Segregated Portfolio Assets attributable to any other Segregated Portfolio.

REGISTERED OFFICE PROVIDER

Harneys Services (Cayman) Limited has been appointed as the registered office provider of the Fund and maintains the Fund's registered office and as such is responsible for maintaining and updating all corporate records of the Fund (save for the Register of Shareholders) and for assisting with all necessary declarations, filings and payments required to be made to Cayman Islands governmental and similar agencies in order to maintain the good standing of the Fund in the Cayman Islands.

AUDITOR

KPMG with registered office at P.O.BOX 493, Century Yard, Cricket Square, Grand Cayman KY1-1106 on Cayman Islands has been appointed as Auditor of the Fund and as such is responsible for conducting an audit in accordance with international standards on auditing, with the objective of expressing an opinion as to whether the financial statements, taken as a whole, present fairly in all material respects the Fund's financial position as at the balance sheet date, and its financial performance and its cash flows for the period then ended in accordance with International Financial Reporting Standards. The Auditor's audit reports may only be relied upon by those parties to whom they are addressed.

REPORTS AND FINANCIAL STATEMENTS

The financial year of the Fund ends on 30 June in each year, with the Fund's first financial year ending on 30 June 2016.

An annual report and audited financial statements for each Segregated Portfolio in respect of each financial year prepared in accordance with IFRS will be prepared as soon as practicable and in any event within 6 months of the end of the Fund's financial year.

Audited annual financial statements will be made available for inspection at the registered office of the Administrator and the Fund. The Administrator's calculations of the Net Asset Value per Share prepared by the Administrator on Valuation Days in respect of any particular Segregated Portfolio may be obtained from the Administrator and to the extent practicable will be mailed electronically to Shareholders by the Administrator automatically.

CUSTODIAN

The Fund may enter into separate agreements with Custodians to provide custody of the assets of each Segregated Portfolio and/or undertake prime brokerage services on behalf of and for the account of each Segregated Portfolio. The Fund may appoint different Custodians to different Segregated Portfolios. Prior to entering into any such Custodian Agreements, the Fund shall seek to limit the recourse that such Fund may have against a particular Segregated Portfolio to the assets of that Segregated Portfolio.

DEPOSITORY

The Fund is not required to appoint, nor has it appointed, a depository for the purposes of the AIFM Directive and the Fund (including for these purposes, any Segregated Portfolio) will not be marketed in any Relevant Member State where a depository is required under applicable law without the appointment of such a depository.

None of the Fund, either for itself or for and on behalf and for the account of any Segregated Portfolio, is required to appoint, nor has appointed, a depository for the purposes of the AIFM Directive and the Fund (including for these purposes, any Segregated Portfolio) will not be marketed in any Relevant Member State where a depository is required under applicable law without the appointment of such a depository.

CHANGE OF SERVICE PROVIDERS

The Directors may change any service provider of the Fund or a Segregated Portfolio and may agree to different contractual terms with new or existing service providers at any time without prior notice or approval of the Shareholders, other than as required by any stock exchange upon which any Shares are listed.

FEES AND EXPENSES

The Fund will negotiate independent fees in respect of each Segregated Portfolio.

The fees and expenses of each Segregated Portfolio shall be set out in its Portfolio Supplement.

To the extent that any fees and expenses incurred by the Fund do not relate to a specific Segregated Portfolio or relate to more than one Segregated Portfolio, such fees and expenses will be apportioned to the relevant Segregated Portfolios *pro rata* in proportion to the most recent Net Asset Value of each relevant Segregated Portfolio, by reference to the number of relevant Segregated Portfolios or in such other proportions as the Directors determine on an equitable basis.

SUBSCRIPTIONS

SUBSCRIPTIONS

Shares will be available for subscription at the relevant Subscription Price on each Subscription Day. Save as provided in any applicable Portfolio Supplement, the Subscription Price will normally be payable in cash by wire transfer, however the Directors reserve the right to accept part or all of the payment of the Subscription Price for Shares to be subscribed for by any Eligible Investor (including the Investment Manager and related parties) in kind by way of the transfer of Investments to the Fund. Such Investments will be valued in accordance with the asset valuation provisions provided for in this Memorandum as at the Valuation Day on or immediately prior to the relevant Subscription Day, as the case may be (provided in the case of any transfer of Investments by the Investment Manager or related parties that all calculations will be validated by the Administrator), and the aggregate amount will be applied in satisfaction of the applicable Subscription Price. Cheques will not be accepted. Any subscription monies received for the acquisition of Shares which are received between Subscription Days shall be held in a separate non-interest bearing account until the next Subscription Day, on which Subscription Day such amounts shall be used, as per the subscription instructions, to pay for Shares.

PROCEDURE

Applicants for Shares and Shareholders wishing to apply for additional Shares must send their completed Subscription Agreement by mail (with a copy by email or by facsimile) so as to be received by the Administrator by such time before the relevant Subscription Day as is set out in the applicable Portfolio Supplement and so that cleared funds in the Base Currency are received by the Administrator no later than such time prior to the relevant Subscription Day as is set out in the applicable Portfolio Supplement, failing either of which an application for Shares will, subject to the discretion of the Directors acting in their sole discretion, to reduce or waive the applicable notice period for delivery and/or payment in any particular case, be held over to the following Subscription Day and Shares will then be issued at the relevant Subscription Price on that Subscription Day. Subscription Agreements may be sent by email or facsimile to the email address or facsimile number stated in the Subscription Agreement, provided that the original Subscription Agreement is forwarded to the Administrator forthwith. Neither the Fund nor the Administrator accept any responsibility for any loss arising from the non-receipt by the Administrator of any Subscription Agreement sent by email or facsimile. Once completed Subscription Agreements have been received by the Administrator and notified to the Investment Manager in whatever format, they are irrevocable by the applicant. The Directors may accept and reject any subscription application in their sole discretion.

Subscription monies will be at risk in the Fund only from the relevant Subscription Day. Prior to such Subscription Day, any subscription monies received will be held in a separate non-interest bearing account and will be held therein at the risk of the applicant. Fractions of Shares will, if necessary, be issued calculated to 3 decimal places. Interest on subscription monies will accrue to the Fund. A subscriber acceptable to the Fund will be sold such number of Shares (including fractional Shares) which its subscription amount will purchase based upon the Subscription Price then in effect.

The Fund reserves the right to reject any application in whole or in part at its absolute discretion, in which event the amount paid on application or the balance thereof (as the case may be) will be returned (without interest) as soon as practicable in the Base Currency and at the risk and cost of the applicant.

Unless otherwise determined by the Directors, applications for Shares will not be dealt with and Shares will not be issued until receipt of notification that an applicant's funds have been cleared in the full amount of the subscription. Subject thereto, Shares are deemed to be issued on the relevant Subscription Day.

The Directors reserve the right from time to time to resolve to close the Fund or any Class of Shares to new subscriptions, either for a specified period or until they otherwise determine and either in respect of all investors or new investors only.

MINIMUM SUBSCRIPTION

Unless otherwise specified in the relevant Portfolio Supplement and subject always to the provisions of Cayman Islands law, the minimum initial subscription amount for each new investor in a Segregated Portfolio is US\$100,000 or its currency equivalent if a Class of Share is issued in a Base Currency other than the US Dollar. The minimum additional subscription amount (if any) applicable to Shareholders in a given Segregated Portfolio subscribing for additional Shares in such Segregated Portfolio will be set out in the relevant Portfolio Supplement or be such amount as the Directors may determine from time to time. The Directors may accept or reject any initial and additional subscriptions in their sole discretion. The Directors may in their sole discretion amend or waive the applicable minimum subscription amounts in general or in any particular case, subject always to the provisions of Cayman Islands law. Shares will be offered at such times and on such terms and conditions as the Directors may determine as set out in the relevant Portfolio Supplement.

ELIGIBLE INVESTORS

Eligibility to subscribe for and hold Shares is limited to Eligible Investors. An Eligible Investor is a Person:

- (a) who is not a US Person; and
- (b) who, to the extent not a natural Person is not directly or indirectly controlled by a US Person and the majority of the economic interest in which is not owned directly or indirectly by a US Person; and
- (c) who has sufficient knowledge and experience in financial and business matters such that such person is capable of evaluating the merits and risks of the proposed investment; and
- (d) who is acquiring the Shares solely for its own account for investment (or, if acting as a nominee or custodian for another person or entity, the Shares are being acquired for that person or entity) and not with a view to distribution or resale; and
- (e) whose holding or acquisition of Shares will not cause the Fund to suffer any taxation, pecuniary disadvantage or require the Fund to register under any applicable US or other securities laws and who is able to acquire and hold Shares without violating applicable laws; and
- (f) (save as otherwise agreed by the Directors) whose net worth is at least US\$1,000,000 or its equivalent in any other currency; or who has total assets of not less than US\$5,000,000 or its equivalent in any other currency; and
- (g) who fulfils any additional criteria as may be specified in the relevant Portfolio Supplement.

Applicants for Shares must represent and warrant in the Subscription Agreement that they are an Eligible Investor and shall indemnify the Fund for any losses, costs or other liabilities which the Fund incurs arising directly or indirectly as a result of any such representation or warranty being inaccurate in any respect. Any transferee of Shares will be required to warrant in like terms before any transfer is registered.

FORM OF SHARES

All the Shares will be held in registered form. Share certificates will generally not be issued nor will any other documentation be issued, other than confirmation notices. Confirmation notices will include a shareholder identification number and details of the Shares that have been allotted. However, confirmation notices will be sent to subscribers only after approval of their Subscription Agreement and satisfactory completion of due diligence.

ANTI-MONEY LAUNDERING

In order to comply with regulations aimed at the prevention of money laundering, the Fund and/or the Administrator will require verification of identity from all prospective investors (unless in any case the Fund and/or the Administrator is satisfied that an exemption under the Money Laundering Regulations (Revised) of the Cayman Islands and of Malta and the Guidance Notes issued pursuant thereto (the **Regulations**) applies).

The Fund and the Administrator each reserve the right to request such evidence as is necessary to verify the identity of a prospective investor. The Fund and the Administrator also each reserve the right to request such verification evidence in respect of a transferee of Shares. In the event of delay or failure by the prospective investor or transferee to produce any evidence required for verification purposes, the Fund or the Administrator may refuse to accept the application or (as the case may be) to register the relevant transfer, and (in the case of a subscription of Shares) any funds received will be returned without interest to the account from which such funds were originally debited at the expense of the subscriber.

The Fund and the Administrator also each reserve the right to refuse to make any redemption payment or distribution to a Shareholder if any of the Directors of the Fund or the Administrator suspects or is advised that the payment of any redemption or distribution monies to such Shareholder might result in a breach or violation of any applicable anti-money laundering or other laws or regulations by any person in any relevant jurisdiction, or such refusal is considered necessary or appropriate to ensure the compliance by the Fund, its Directors or the Administrator with any such laws or regulations in any relevant jurisdiction.

If, as a result of any information or other matter which comes to his attention, any person resident in the Cayman Islands or elsewhere (including the Fund, its Directors and the Administrator) knows or suspects that another person is engaged in money laundering, such person is required to report such information or other matter pursuant to The Proceeds of Crime Law (Revised) of the Cayman Islands and/or Prevention of Money Laundering Act of the Laws of Malta and such report shall not be treated as a breach of any restriction upon the disclosure of information imposed by law or otherwise.

The Fund and its agents (including the Administrator and Investment Manager) will not incur any liability for adhering to the Fund's responsibilities under its anti-money laundering programme, and will be indemnified by each subscriber for any losses which the Fund or its principals or agents may incur for doing so.

SWITCHING

Applications to switch investments between Segregated Portfolios, and the consequential redemption and issue of Shares, are subject to the terms of the Offering Documents, the Articles and the Switch Notice referred to below.

Shareholders may, at the absolute discretion of the Directors, switch some or all of their Shares attributable to one Segregated Portfolio (**original Segregated Portfolio**) to Shares attributable to another Segregated Portfolio (**new Segregated Portfolio**) on any Redemption Day provided that the number of Shares so switched into the new Segregated Portfolio has a value of not less than US\$100,000 or its currency equivalent. In the case of a switch of part only of a Shareholder's holding, the minimum value of Shares constituting the Shareholder's holding in the original Segregated Portfolio must be no less than US\$100,000 or its currency equivalent value following the switch.

Such switching may be exercisable by the holder of Shares by means of a switch notice (**Switch Notice**) which shall be irrevocable and shall be filed by the investor in written or electronic form at the office of the Administrator within the period specified in the relevant Segregated Portfolio's Portfolio Supplement. The form of Switch Notice shall be provided by the Administrator.

An irrevocable request to exchange Shares will be effected by way of the redemption of some or all of the Shares attributable to the original Segregated Portfolio and the issue of Shares in the new Segregated Portfolio.

Switching instructions will only be carried out on a day which is a Redemption Day for the original Segregated Portfolio and a Subscription Day for the new Segregated Portfolio as set out in the Switch Notice received by the Administrator.

The number of Shares in the new Segregated Portfolio to be issued in exchange shall be determined in accordance (or as nearly as may be in accordance) with the following formula:

$$\frac{NS = A \times B \times C}{D}$$

NS = the number of Shares in the new Segregated Portfolio which will be issued;

A = the number of Shares in the original Segregated Portfolio to be switched;

B = the redemption price of such Shares in the original Segregated Portfolio on the relevant Redemption Day;

C = the rate of exchange determined for switching the Base Currency of the Shares in the original Segregated Portfolio into the Base Currency of the Shares in the new Segregated Portfolio, if applicable; and

D = the issue price of the Shares in the new Segregated Portfolio on the relevant Subscription Day (including any commissions payable).

The Directors may determine the Class and Series of Shares in the new Segregated Portfolio issued as a consequence of such exchange. Switching of Shares will not be subject to switching fees.

Switching of Shares attributable to one Segregated Portfolio to Shares attributable to another Segregated Portfolio may in some jurisdictions be deemed a realisation for the purposes of capital gains taxation or other similar taxes.

TRANSFERS

Shares may not be transferred without the prior written consent of the Directors, which consent may be withheld by the Directors in their absolute discretion. Furthermore, transfers of Shares may only be conducted in accordance with the anti-money laundering policies and procedures applicable to the Fund. A transferee will be required to complete a Subscription Agreement and will be subject to the requirements set forth for Eligible Investors in the Fund. Unless otherwise determined by the Directors or set out in the applicable Portfolio Supplement, partial transfers shall not be permitted with respect to any Class of Shares.

In the case of the death of any one of joint Shareholders, the survivor(s) will be the only person or persons recognised by the Fund as having title to the interest of the deceased joint Shareholder in the Shares registered in the names of such joint Shareholders.

Shareholders wishing to transfer Shares must sign the form of transfer in the exact name or names in which the Shares are registered, indicate any special capacity in which they are signing and supply all other required details. The completed form of transfer, duly stamped if applicable, together with such other evidence as the Directors or the Administrator may reasonably require (including without limitation anti-money laundering and client identification documents) must be sent to the Administrator. The Administrator may also require anti-money laundering client identification documents from the transferor. Subject to the prior approval of the Directors having been obtained, the Administrator will register the transferee as holder of such Shares upon receipt by it of duly executed instruments of transfer. The transfer shall take effect upon the registration of the transferee in the Register of Shareholders.

The Directors shall decline to approve any transfer of Shares to any person not being an Eligible Investor and where such transfer is not in accordance with applicable laws. If the Directors become aware that any Shares are owned by a person not being an Eligible Investor, the Directors are entitled to require the transfer of such Shares or require the compulsory redemption of such Shares in accordance with the Articles.

No transfer may be made which would result in either the transferor or the transferee remaining or being registered (as the case may be) as the holder of Shares valued at less than US\$100,000 or its equivalent in any other currency denomination.

REDEMPTION

REDEMPTIONS

Subject to the restrictions contained herein, Shareholders may redeem their Shares on any Redemption Day so long as they comply with the requirements as set forth in the Offering Documents and the Articles.

PROCEDURE

A form of Redemption Notice may be obtained from the Administrator. Full details of the shareholding including the name(s) and address(es) of the Shareholder(s) and the number and Class or Classes of Shares to be redeemed must be completed. Failure to provide full details of the Class or Classes of Shares to be redeemed may result in a delay in processing a request for redemption. To effect a redemption, Shareholders should complete a Redemption Notice and send the same to the Administrator by mail or by facsimile with the original to follow by mail. The address, email address and facsimile details of the Administrator are set out in the Redemption Notice.

Requests for redemption must be received by the Administrator by such time preceding the Redemption Notice Period applicable to the relevant Segregated Portfolio as is set out in the applicable Portfolio Supplement. In the event that the Redemption Notice is not received by the Administrator on a Business Day, the official receipt date of the Redemption Notice shall be deemed to be the following Business Day. Any Redemption Notice received after the relevant deadline will, subject to the discretion of the Directors, be held over until the next following Redemption Day. Where a Redemption Notice is initially given by email or facsimile, the original Redemption Notice signed by the Shareholder or its authorised signatory should be delivered to the Administrator prior to the relevant deadline in respect of any Redemption Day, or if not reasonably practical to do so, as soon as reasonably possible thereafter. The Administrator will only be responsible for those Redemption Notices sent by email or facsimile which are actually received by the Administrator prior to the relevant deadline. The Administrator will not accept any responsibility for any loss as a result of the non-receipt of any Redemption Notice sent by email or facsimile. Each Shareholder acknowledges and accepts the risks that relate to the submission of redemption requests in writing by mail, email, or by facsimile and will ensure that any such request is properly sent to the Administrator. Failure to obtain confirmation of receipt of an instruction from the Administrator prior to the Redemption Day may render the instruction void. Each Shareholder accepts that neither the Fund nor the Administrator shall be held responsible for any loss resulting from non-receipt of any requests. Each Shareholder accepts sole responsibility for, and agrees to indemnify the Fund and the Administrator against, any claim arising from any loss caused by any delays or non-receipt of requests or confirmations of requests.

Once given, a Redemption Notice may not be revoked by a Shareholder save during any period where the Directors have suspended the redemption of Shares of one or more Segregated Portfolios in the circumstances set out in the Articles or in any applicable Portfolio Supplement, or except as otherwise agreed in writing by the Directors (or any person duly authorised by them).

REDEMPTION PRICE

Subject to the terms of any applicable Portfolio Supplement, the Redemption Price per Share of a particular Class or Series (as applicable) will be equal to the Net Asset Value per Share for that Class or Series, calculated as at the Valuation Day immediately preceding the Redemption Day to which a Redemption Notice relates and after deduction of all applicable fees.

REDEMPTION FEES, RESTRICTIONS AND PENALTIES

A Redemption Fee may apply to redemption requests. Details of any Redemption Fees in respect of each Segregated Portfolio are set out in the relevant Portfolio Supplement.

Unless otherwise determined by the Directors or set out in the applicable Portfolio Supplement, partial redemptions or transfers shall not be permitted with respect to any Class of Shares. A Portfolio Supplement may specify that any application to redeem Shares may prejudice such Shareholder's future rights to subscribe for Shares in the applicable Segregated Portfolio or all Segregated Portfolios of the Fund.

PAYMENT OF REDEMPTION PROCEEDS

Payment of redemption proceeds shall, unless provided otherwise in the applicable Portfolio Supplement, be made by wire transfer in the Base Currency at the risk and expense of the redeeming Shareholder. Payment of redemption proceeds shall be made not later than such time following the Redemption Day as is set out in the applicable Portfolio Supplement, except that, where provided for in any relevant Portfolio Supplement, the Fund may withhold a set percentage of the redemption payment pending completion of the Fund's audited financial statements for the applicable fiscal year.

Where a Redemption Notice is initially given by email or facsimile, the original Redemption Notice signed by the Shareholder or its authorised signatory should be delivered to the Administrator prior to the relevant deadline in respect of any Redemption Day, or if not reasonably practical to do so, as soon as reasonably possible thereafter, together with any other documents required by the Administrator, before the redemption request will be processed and redemption proceeds paid.

The Directors have the power to effect redemptions in specie in full or part satisfaction of the Redemption Price or for any payment of the said Redemption Price in accordance with such procedures as the Directors may from time to time determine.

The Directors may in their discretion deduct from any amount payable to a Shareholder in connection with the redemption of Shares (including compulsory redemptions) an amount equal to any withholding or other tax (or *pro rata* proportion thereof) paid or payable (directly or indirectly) by the Fund, which the Directors in their discretion determine is attributable to such Shareholder.

COMPULSORY REDEMPTION

The Directors have the right to compulsorily redeem a Shareholder's Shares at any time for any reason or no reason upon 15 days' prior written notice including, without limitation, if the Fund becomes aware that a Shareholder is not an Eligible Investor. Compulsory redemptions may be used by the Fund with respect to any Segregated Portfolio, Class or Series as a way of reducing the Segregated Portfolio Assets at risk in a particular strategy or strategies, including, without limitation, if performance of the relevant strategy or strategies would be adversely affected by increasing trade size. In particular the Directors

may redeem all or any proportion of a Shareholder's Shares immediately following the application of any applicable Performance Fees as part of a reduction of the Net Asset Value of any Segregated Portfolio or Class. In effecting such compulsory redemption the Directors shall have no obligation to effect any such redemption on a *pro rata* basis and may elect in their sole discretion to redeem none, any or all of a particular Shareholder's Shares in each particular case. The right of the Directors to compulsorily redeem Shares shall be exercised in a manner consistent with the fiduciary duties of the Directors.

Shares which are compulsorily redeemed shall be redeemed at the Redemption Price applicable as at the date of the compulsory redemption. Any outstanding fees will be payable to the Fund upon the compulsory redemption of Shares as described above.

Details of any additional grounds for compulsory redemption of Shares in a Segregated Portfolio are set out in the relevant Portfolio Supplement.

RIGHTS FOLLOWING REDEMPTION DAY

Shareholders will be removed from the Register of Shareholders upon redemption proceeds being paid. Insofar as investors remain as Shareholders until such time as the relevant Net Asset Value per Share has been calculated and the Register of Shareholders is updated, investors will be treated as creditors for the Redemption Price, rather than Shareholders, from the relevant Redemption Day, and will rank accordingly in the priority of the Fund's creditors. Furthermore, during this period, redeeming investors will have no rights as Shareholders under the Articles, save the right to receive the Redemption Price and any dividend which has been declared in respect of their Shares prior to the relevant Redemption Day and, in particular, will not have the right to receive notice of, attend or vote at any meetings of the holders of Shares.

SUSPENSIONS

The Directors may suspend Share redemptions either generally or in respect of a particular Segregated Portfolio or Class, including suspending the payment of redemption proceeds following the relevant Redemption Day and/or the issuance of additional Shares, and may, but need not, combine any such suspension with a simultaneous suspension of the determination of the Net Asset Value of any or all Segregated Portfolios and/or of any Class of Shares and/or of any Series of Shares: (i) during any period when any exchange on which any of the Investments are quoted is closed, other than for ordinary holidays and weekends, or during periods in which dealings are restricted or suspended; and/or (ii) during the existence of any state of affairs as a result of which, in the reasonable opinion of the Directors, disposal of Investments by the Fund on behalf of and for the account of a Segregated Portfolio would not be reasonably practicable or might prejudice the non-redeeming Shareholders of such Segregated Portfolio; and/or (iii) during any breakdown in the means of communication normally employed in determining the price or value of any of the Investments, or of current prices in any stock market as aforesaid; and/or (iv) when for any other reason the prices or values of any Investments cannot reasonably be promptly and accurately ascertained, including if Underlying Funds suspend the calculation of their net asset values; and/or (v) during any period when the transfer or convertibility of funds involved in the realisation or acquisition of any Investments cannot, in the opinion of the Directors, be effected at normal rates of exchange; and/or (vi) in any such circumstances where the Directors deem any such suspension to be in the best interests of the Fund and/or a Segregated Portfolio as a whole; and/or (vii) in any other circumstances expressly contemplated by a Portfolio Supplement in relation to a particular Segregated Portfolio.

GATING

If a Gating Percentage is specified in the applicable Portfolio Supplement, in the event that redemption requests are received for redemption of Shares of a particular Class representing in aggregate more than the respective Gating Percentage of the total number of Shares of that Class then in issue, the Fund is entitled to reduce the requests rateably and *pro rata* amongst all Shareholders seeking to redeem Shares of that Class on the relevant Redemption Day and to carry out only sufficient redemptions which, in aggregate, amount to the Gating Percentage of the Shares of that Class then in issue. Shares which are not redeemed but which would otherwise have been redeemed will be redeemed on the next Redemption Day (subject to further deferral if the redemption requests on the next Redemption Day exceed the Gating Percentage of the Shares of the relevant Class then in issue) *pro rata* with any other Shares of that Class for which redemption requests have been received, or in accordance with any provisions set out in the applicable Portfolio Supplement. Shares will be redeemed at the relevant Redemption Price prevailing on the Redemption Day on which they are redeemed.

ANTI-MONEY LAUNDERING

Investors should note that the Directors may refuse to accept a redemption request if it is not accompanied by such additional information as they, or the Administrator on their behalf, may reasonably require. This power may, without limitation to the generality of the foregoing, be exercised where proper information has not been provided for money laundering verification purposes as described in this Memorandum under the heading ***Subscriptions***.

SIDE POCKETS

If an asset held or proposed to be acquired by a Segregated Portfolio becomes or is, in the opinion of the Directors, illiquid, the Directors may determine that such asset is to be designated a side pocket investment (a **Side Pocket Investment**). For this purpose an asset shall be considered illiquid if, in the opinion of the Directors, the asset is not freely traded on a regulated market or exchange, the asset is subject to legal or other restrictions on transfer, the asset is not readily realisable at a fair price or it is not reasonably practicable to determine a fair valuation of the asset. A Segregated Portfolio may invest in or hold a Side Pocket Investment directly or indirectly through a special purpose vehicle established for such purpose. Reference to “Shares” in this section of this Memorandum entitled **Side Pockets** shall, unless the context otherwise requires, refer to Participating Shares other than Side Pocket Shares.

EXCHANGE OF SHARES FOR SIDE POCKET SHARES

On the acquisition or designation of a Side Pocket Investment the Directors, in consultation with the Investment Manager, will determine the side pocket investment cost (**Side Pocket Investment Cost**) of the Side Pocket Investment. The Side Pocket Investment Cost will be the fair market value of the relevant asset at the time it is designated a Side Pocket Investment or the cost of acquiring the relevant asset (including all transactional costs) if it is designated a Side Pocket Investment on acquisition. In determining the Side Pocket Investment Cost the Directors may also make provision for the fees and expenses which are likely to be incurred in relation to the Side Pocket Investment during the period for which the Side Pocket Investment is expected to be held.

Shares having an aggregate Net Asset Value (calculated as at the most recent Valuation Day) equal to the Side Pocket Investment Cost will then be exchanged for a new Class of Side Pocket Shares. The exchange will be made by way of redemption of Shares (and therefore will result in the payment of any Performance Fee accrued in respect of such Shares) and the simultaneous subscription for Side Pocket Shares at a subscription price determined by the Directors. Where more than one Class is participating in the Side Pocket Investment, such exchange will be effected on a *pro rata* basis, based on the aggregate Net Asset Value of the Shares of each participating Class in issue at such time as a proportion of the total Net Asset Value of such participating Classes. Each Share to be exchanged will typically be exchanged for one Side Pocket Share of the new Class of Side Pocket Shares.

Only one Side Pocket Investment will be attributable to each Class of Side Pocket Shares. The holding of a particular Side Pocket Investment attributable to a particular Class of Side Pocket Shares will remain unchanged until the Side Pocket Investment is disposed of, or is determined by the Directors to have become freely tradable, no longer subject to restrictions on transfer, readily realisable at a fair price or to have a readily ascertainable market value (each a **Realisation Event**). If a holding of a particular Side Pocket Investment is increased, the additional holding will be treated as a new Side Pocket Investment. Only Shareholders at the time a particular Side Pocket Investment is designated or acquired will participate in that Side Pocket Investment.

REALISATION OF SIDE POCKET INVESTMENT

When a Realisation Event occurs, the Directors will determine the side pocket net proceeds (the **Side Pocket Net Proceeds**) of the relevant Class of Side Pocket Shares. The Side Pocket Net Proceeds will be the proceeds of realisation of the Side Pocket Investment (or its fair market value, as determined by the

Directors, if the Side Pocket Investment is not disposed of) plus the value of any other assets attributable to the relevant Class (including any income received in respect of the Side Pocket Investment and any provision for fees and expenses which has not been used) less any accrued but unpaid fees and expenses relating to such Class.

Save as otherwise provided in any applicable Portfolio Supplement and subject to the Side Pocket Shares of a Segregated Portfolio being subject to a Performance Fee, if the Side Pocket Net Proceeds exceed the Side Pocket Investment Cost, an amount equal to the Side Pocket Percentage of the excess will be paid to the Investment Manager as a Performance Fee. The balance of the Side Pocket Net Proceeds, or if the Side Pocket Net Proceeds are less than the Side Pocket Investment Cost, the entire Side Pocket Net Proceeds, will be applied in the compulsory redemption of Side Pocket Shares of the relevant Class and automatic subscription for additional Shares (typically of the same Class as the Shares that were originally exchanged into Side Pocket Shares (the **Original Class**)). Such Shares will be issued at a Subscription Price equal to the Net Asset Value per Share of the Original Class as at the most recent Valuation Day; provided that where Shares of the Original Class are no longer in issue and a cash payment is not payable in accordance with the terms of this Memorandum, the Directors may in their discretion set a Subscription Price. Where a holder of redeemed Side Pocket Shares no longer holds any Shares, such Shareholder will receive a cash payment by way of redemption of Side Pocket Shares.

If the Side Pocket Net Proceeds are less than the Side Pocket Investment Cost (a **Side Pocket Special Loss**), the Performance Fee (if any) payable to the Investment Manager will be reduced by an amount equal to the Side Pocket Percentage of the portion of the Side Pocket Special Loss attributable to each Shareholder who participated in the relevant Side Pocket Investment and remains a Shareholder. The amount of any such reduction will be applied in subscribing for additional Shares to be issued to such Shareholder.

FEES AND EXPENSES APPLICABLE TO SIDE POCKET SHARES

The Investment Manager may be entitled to a Management Fee in respect of each Class of Side Pocket Shares as set out in the Portfolio Supplement.

The fees and expenses attributable to each Class of Side Pocket Shares, including any Management Fee, will accrue as liabilities attributable to such Class. Such liabilities shall be paid out of any cash or liquid assets attributable to the relevant Class. To the extent that such liabilities remain unpaid, they shall accrue until, and shall be paid on, the relevant Realisation Event.

VALUATIONS

For the purposes of determining the Net Asset Value of the Segregated Portfolio, Side-Pocket Investments will generally be ignored. For financial reporting purposes, Side-Pocket Investments will be valued at their estimated fair value, as determined by the Directors.

REDEMPTION AND TRANSFER OF SIDE POCKET SHARES

Side Pocket Shares are not redeemable at the option of the Shareholder and, unless the Directors determine otherwise, will be compulsorily redeemed only on the occurrence of a Realisation Event.

If the Directors determine to compulsorily redeem Side Pocket Shares held by any Shareholder other than otherwise provided for in this Memorandum, the redemption price of the Side Pocket Shares so redeemed will be based on the estimated fair value of the relevant Side Pocket Investment less any

accrued fees and expenses, as determined by the Directors. However, redemption proceeds will not be paid until the occurrence of the relevant Realisation Event.

Side Pocket Shares may not be transferred without the prior written consent of the Directors. The Directors may withhold their consent without giving any reason for doing so.

NET ASSET VALUATION

The Net Asset Value of each Segregated Portfolio, the Net Asset Value of each Class of Shares and, if Series of a Class of Shares are issued, the Net Asset Value of each Series of such Class of Shares, and the Net Asset Value per Share of each Segregated Portfolio will be calculated by the Administrator of each Segregated Portfolio in the manner described below (and otherwise in accordance with the terms of this Memorandum) on each Valuation Day provided that any Portfolio Supplement may modify or supplement the valuation methodology set out below in respect of a particular Segregated Portfolio.

The Net Asset Value of each Segregated Portfolio shall be determined on each Valuation Day in accordance with the Articles (and subject to this Memorandum) to be the value of its Segregated Portfolio Assets less its Segregated Portfolio Liabilities. The Net Asset Value per Share of each Segregated Portfolio shall be its Net Asset Value divided by the number of Shares in issue in such Class or Series, as appropriate, as at the relevant Valuation Day. The Net Asset Value shall be expressed in the relevant Base Currency (or in such other currency as the Directors may determine) as a per Share figure for each Class or Series of Shares in issue, as appropriate (rounding down to the second decimal figure of the relevant currency), and shall be determined for each Valuation Day in accordance with the Articles and as may otherwise be provided in the Offering Documents.

The assets and liabilities of each Segregated Portfolio of the Fund, including any new Segregated Portfolios that may be created by the issue of new Classes and Series of Shares, shall constitute and be treated as a patrimony distinct and separate from the assets and liabilities of each other Segregated Portfolio of the Fund. In the event that the liabilities of a particular Segregated Portfolio exceed its assets, then the proportion of liabilities in excess of the assets shall not be allocated to the other Segregated Portfolio(s) and the creditors of that Segregated Portfolio whose liabilities exceed its assets shall have no claim or right of action under Cayman Islands law against the assets of the other Segregated Portfolio(s).

ASSET VALUATION BASES

There shall be established a pool of assets for each Segregated Portfolio in the following manner:

- (a) the proceeds from the issue of Shares representing a Segregated Portfolio shall be applied in the books of the Fund to that Segregated Portfolio, and the assets and liabilities and income and expenditure attributable thereto shall be applied to such Segregated Portfolio subject to the provisions hereof;
- (b) where any asset is derived from another asset, such derivative asset shall be applied in the books of the Fund to the same Segregated Portfolio as the assets from which it was derived and in each valuation of an asset, the increase or diminution in value shall be applied to the relevant Segregated Portfolio;
- (c) where the Fund incurs an expense or a liability which relates to any asset of a particular Segregated Portfolio or to any action taken in connection with an asset of a particular Segregated Portfolio, such an expense or a liability shall be allocated to the relevant Segregated Portfolio; and

- (d) where an asset or a liability of the Fund cannot be considered as being attributable to a particular Segregated Portfolio, such asset or liability, subject to the approval of the Administrator, shall be allocated to all the Fund *pro rata* to the Net Asset Value of each Segregated Portfolio at the time.

Subject to the terms of the relevant Offering Documents, the Net Asset Value of each Segregated Portfolio will be determined on each Valuation Day for such Segregated Portfolio as provided for below:

- (a) the value of any Investment quoted, listed or normally dealt in, on, or under the rules of any Regulated Market shall be calculated in the following manner:
 - (i) by reference to the price appearing to the Directors to be the latest available dealing price or (if bid and offer quotations are made) the latest available close market quotation on such Regulated Market as the Directors may consider more appropriate;
 - (ii) if an Investment is quoted, listed or normally dealt in, on or under the rules of more than one Regulated Market, the Directors may adopt the price or, as the case may be, the middle quotation on the Regulated Market which, in their opinion, provides the principal market for such Investment;
 - (iii) in the case of any Investment which is quoted, listed or normally dealt in, on or under the rules of a Regulated Market but in respect of which, for any reason:
 - (1) prices on that Regulated Market may not be available at any relevant time; or
 - (2) the value thereof based on the said prices or a quotation as described in paragraphs (i) and (ii) above does not establish, in the opinion of the Directors, the fair value of any investment,

the value thereof shall be determined by such professional person as may be appointed by the Directors for such purpose or generally in relation to some or all the Investments of the Fund and for such time as may be determined by the Directors;
 - (iv) the Directors shall not be under any liability by reason of the fact that a value reasonably believed by them to be the latest available price or, as the case may be, middle quotation for the time being may be found not to be such; and
 - (v) there shall be taken into account interest accrued on interest-bearing investments up to the date at which the valuation is made unless such interest is included in the price or quotation referred to above;
- (b) the value of any investment which is not quoted, listed or normally dealt in on or under the rules of a Regulated Market shall be either:
 - (i) the initial value thereof or the fair value (i.e. the amount at which an asset could be acquired or sold in a current transaction between willing parties in which the parties each acted knowledgeably, prudently, and without compulsion) as assessed on the latest revaluation, both made in accordance with the provisions hereinafter contained. For this purpose:

- (1) the initial value of such an Investment shall be the amount expended out of the Segregated Portfolio in the acquisition thereof (including in each case the amount of stamp duties, commissions and other expenses incurred in the acquisition thereof and the vesting thereof of the Fund for the account of a Segregated Portfolio. In estimating the fair value of any such Investment upon any revaluation, the Directors, or such competent professional person as may be appointed for such purpose by the Directors, will take into consideration all indications of fair value that are available (including, but not limited to, financial standing of issuer, similar companies in a quoted market, third party transactions/offers to purchase, changes in economic conditions, and financial statements of issuer) together with results obtained from different valuation techniques as determined by the Directors; and
 - (2) the Directors may at any time cause a revaluation to be made of any such investment by such professional person as may be appointed for such purpose by the Directors. The Directors may also adopt other valuation techniques as may be established from time to time by the Directors to determine the fair value of unquoted securities. Unquoted securities shall be valued at least annually. The value so established will be reviewed on a regular basis throughout the year;
- (c) the Directors shall be entitled to value certain financial instruments held, directly or indirectly by the Fund, that are:
- (i) quoted non-derivative financial assets with fixed or determinable payments and fixed maturity that the Fund has the positive intention and ability to hold to maturity; and/or
 - (ii) non-derivative unquoted financial assets with fixed and determinable payments,
- at amortised cost using the effective interest method;
- (d) the value of each unit or share in any collective investment scheme which provides for the units or shares therein to be realised at the option of the investor out of the assets of that scheme shall be the last published net asset value per unit or share or (if bid and offer prices are published) at a price midway between the last published bid and offer prices applicable to the scheme as the Directors may consider appropriate;
- (e) the value of any futures contract shall be:
- (i) in the case of a futures contract for the sale of the subject matter thereof, the positive or negative amount produced by applying the following formula:

$$a - (b + c)$$

- (ii) in the case of a futures contract for the purchase of the subject matter thereof, the positive or negative amount produced by applying the following formula:

$$b - (a + c)$$

where:

- a = the contract value of the relevant futures contract (the **relevant contract**);
- b = the amount determined by the Directors to be the contract value of such futures contract as would be required to be entered into by the Fund in order to close the relevant contract, such determinate to be based on the latest available price or (if bid and offered quotations are made) middle quotation on the Regulated Market in which the relevant contract was entered into by the Fund; and
- c = the amount expended out of the Fund in entering into the relevant contract, including the amount of all stamp duties, commissions and other expenses but excluding any deposit or margin provided in connection therewith;
- (f) cash, deposits and similar property shall be valued at their face value (together with accrued interest) unless, in the opinion of the Directors, any adjustment should be made;
- immovable property shall be valued at least once annually at fair value on the basis of a full valuation in accordance with the provisions hereinafter contained by an appropriate independent valuer appointed for this purpose by the Directors and the value so established will be reviewed on a regular basis throughout the year;
- The fair value of immovable property held by way of investment is usually the market value thereof. Fair value is measured as the most probable price reasonably obtained in the market at the valuation point. The fair value of any such Investment reflects, among other things, current prices on an active market, recent prices on less active markets with adjustments to reflect any changes in economic circumstances, and/or discounted cash flow projections based on reliable estimates of future cash flows, supported by the terms of any existing lease and other contracts and (where possible) by external evidence such as current market rents for similar properties in the same location and condition, and using discount rates that reflect current market assessments of the uncertainty in the amount and timing of the cash flows. The Directors may also adopt other valuation techniques as may be established from time to time by the Directors to determine the fair value of immovable property held by way of investment;
- (g) property other than investments described above and futures contracts shall be valued in such manner and at such time or times as the Directors shall from time to time determine;
- (h) notwithstanding any of the foregoing sub-paragraphs, the Directors may adjust the value of any Investment or other property or permit some other method of valuation to be used if they consider that in the circumstances (including without limitation a material volume of subscription or redemptions of Shares in any Segregated Portfolio, or the marketability of the Investments or other property, or such other circumstances as the Directors deem appropriate) such adjustment or other method of valuation should be adopted to reflect more fairly the value of such Investment or other property;
- (i) every Share allotted by the Fund shall be deemed to be in issue and the value ascribed thereto shall be deemed to include the net amount of any cash or other property to be received in respect of each such Share;
- (j) where, in consequence of any notice or redemption request duly given, a reduction of any Segregated Portfolio by the number of Shares has been or is to be effected but payment in respect of such reduction has not been completed, the Shares in question shall be deemed not

to be in issue and any amount payable in cash or investments out of the Segregated Portfolio in pursuance of such reduction shall be deducted;

- (k) where any investment or other property has been agreed to be acquired or realised but such acquisition or disposal has not been completed, such investment or other property shall be included or excluded, as the case may be, and the gross acquisition or net disposal consideration excluded or included as the case may require as if such acquisition or disposal had been duly completed;
- (l) there shall be included in the assets an amount equal to all such costs, charges, fees and expenses as the Directors may have determined to amortise less the amount thereof which has previously been or is then to be written off;
- (m) where an amount in one currency is required to be converted into another currency the Directors may affect such conversion using the latest available rates of exchange as the Directors shall determine at the relevant time except where otherwise specifically provided therein;
- (n) where the current price of an Investment is quoted, or calculated ex-dividend or interest, there shall be added to the assets a sum representing the amount of such dividend or interest receivable by the Fund but not yet received;
- (o) there shall be added to the assets the amount (if any) available for allocation in respect of the last preceding accounting period of the Fund but in respect of which no allocation has been made;
- (p) any amount of dividend which has been declared by the Fund but not paid will be treated as a liability upon declaration;
- (q) there shall be deducted from the assets such sum in respect of tax (if any) as in the estimate of the Directors will become payable in respect of the current accounting period;
- (r) there shall be deducted from the value of any Investment in respect of which a call option has been written the value of such option calculated by reference to the latest available dealing price on a Regulated Market or (if bid and offered quotations are made) middle quotation on such Regulated Market or if no such price is available the value thereof shall be determined by such professional person as may be appointed for such purpose by the Directors; and
- (s) there shall be deducted from the assets the total amount (whether actual or estimated by the Directors) of any other liabilities properly payable including outstanding borrowings and accrued interest on borrowings (if any) but excluding liabilities otherwise taken into account in the subparagraphs above.

Notwithstanding the foregoing, when the above system of valuation would not reflect the current value of the assets accurately, the Directors shall be entitled to value the Shares of any company using the amortised cost method of valuation, whereby the investments of the Fund are valued at their cost of acquisition, adjusted for amortisation of premium or accretion of discount on the investments, rather than at the current market value of the investments.

Where the Directors themselves value the underlying assets, the Fund shall compile a valuation report detailing the valuation procedure and pricing policies used and such report/pricing policy shall, (together

with any conflicts or potential conflicts of interest associated with the Directors) be made available to investors upon request.

The Directors have delegated their function in connection with the calculation of the Net Asset Value to the Administrator. For avoidance of doubt, the approval of the relevant period's NAV will be done by the Investment Manager.

The Directors (or any person to whom they shall have delegated responsibility for calculating Net Asset Value) shall be entitled to rely on any electronic price feed, and the price provided by such electronic price feed shall be deemed to be the last traded price. The Directors are solely responsible for determining the value of unlisted Securities or assets in which there is no readily available or liquid market. Determinations of Net Asset Value will be conclusive and binding on all Shareholders unless the Fund has been found to have acted in bad faith or there is a manifest error involved.

The Administrator is not an "external valuer" for the purposes of the AIFMD Rules.

In connection with the determination of Net Asset Value, the Directors will rely, without further verification, upon (i) the Administrator's calculations approved by the Investment Manager; and (ii) valuations and pricing information provided by the Investment Manager and other third parties considered by the Directors to be competent to provide those valuations and that information. The Directors will not be liable for any error in the determination of the Net Asset Value arising from any inaccuracy or error in the valuations and pricing information so provided or from any error in a calculation upon which they have relied in good faith.

ALLOCATION OF ASSETS AND LIABILITIES

SEGREGATED PORTFOLIO ACCOUNTS

The proceeds from the allotment and issue of each Class shall be applied in the books of the Fund by the Directors or the Fund's duly authorised agent to the account of the relevant Segregated Portfolio (each a **Segregated Portfolio Account**), and the assets and income attributable to the investment, management and administration of each Segregated Portfolio shall be applied to the relevant Segregated Portfolio Account and the Segregated Portfolio Liabilities of each Segregated Portfolio shall be settled out of it.

Save as otherwise provided in the Articles, the assets held in each Segregated Portfolio Account shall be applied solely in respect of Segregated Portfolio Liabilities of the relevant Segregated Portfolio and Shares issued in respect of that Segregated Portfolio.

CLASS ACCOUNTS

In respect of each Class, the Directors or the Fund's duly authorised agent shall establish and maintain a class share account (in each case, a **Class Account**) which shall operate as a sub-account of the relevant Segregated Portfolio Account to which the following provisions shall apply:

- (a) the proceeds from the allotment and issue of the Shares of the relevant Class shall be applied in the books of the Fund to the Class Account established for such Class and the assets and income and share of the Segregated Portfolio Liabilities of the relevant Segregated Portfolio attributable thereto shall be applied or charged to such Class Account subject to the provisions of paragraphs (b) to (f) below;
- (b) where any asset is derived from another asset (whether cash or otherwise) such derivative asset shall be applied in the books of the Fund to the same Class Account as the asset from which it was derived, and on each re-evaluation of an Investment the increase or diminution in value shall be applied to the relevant Class Account;
- (c) in the case of any Investment of the relevant Segregated Portfolio (or amount treated as a notional asset) which the Directors or the Fund's duly authorised agent does not consider is attributable to a particular Class Account or Class Accounts, such asset shall be allocated between Class Accounts of that Segregated Portfolio at the discretion of the Directors or the Fund's duly authorised agent in such manner as they consider fair and reasonable in all circumstances and the Directors or the Fund's duly authorised agent shall have power at any time and from time to time to vary such basis;
- (d) the Directors or the Fund's duly authorised agent shall allocate the liability to pay a dividend or other distribution on a Class to the corresponding Class Account and the Directors or the Fund's duly authorised agent shall allocate any other Segregated Portfolio Liability to the Class Account or Class Accounts to which, in the opinion of the Directors or the Fund's duly authorised agent, it relates or, if in the opinion of the Directors or the Fund's duly authorised agent it does not relate to any particular Class Account or Class Accounts, between Class Accounts of such Segregated Portfolio at the discretion of the Directors or the Fund's duly authorised agent in such manner as

they consider fair and reasonable in all the circumstances and the Directors or the Fund's duly authorised agent shall have power at any time and from time to time to vary such basis;

- (e) in any proceedings brought by any holder of Shares of a particular Class in respect of the rights of such holder, any liability of the Fund to such holder in respect of such proceedings shall only be settled out of the assets in the Class Account corresponding to such Shares, without recourse in respect of such liability or any allocation of such liability to any other Class; and
- (f) the Directors or the Fund's duly authorised agent may transfer in the books of the Fund any assets (or amounts treated as notional assets) to and from Class Accounts of a particular Segregated Portfolio if, as a result of a creditor or litigant proceeding against certain of the assets of the Fund or otherwise, a liability would be borne in a different manner from that in which it would have been borne under sub-paragraph (d) or (e) above, or in any similar circumstances.

SERIES ACCOUNTS

Where Series of Shares are issued, the Directors or the Fund's duly authorised agent shall establish and maintain separate internal sub-accounts of each Class Account for each Series of Shares of a particular Class which may be issued (each a **Series Account**) to which the following provisions shall apply:

- (a) the proceeds from the allotment and issue of each Series of Shares of a particular Class shall be applied in the books of the relevant Segregated Portfolio to an internal sub-account of the relevant Class Account for Shares of that Class relating to that Series and designated by reference to it, and the assets and liabilities and income and expenditure attributable thereto shall be applied to such Series Account, subject to the provisions of the Articles;
- (b) where any asset is derived from another asset (whether cash or otherwise), such derivative asset shall be applied in the books of the relevant Segregated Portfolio to the same Series Account as the asset from which it was derived and on each revaluation of an asset the increase or diminution in value shall be applied to the relevant Series Account;
- (c) in the case of any asset of the relevant Segregated Portfolio which the Directors have allocated to the Class Account for Shares of a particular Class but do not consider is attributable to a particular Series Account, the Directors or the Fund's duly authorised agent shall have discretion to determine the basis upon which any such asset shall be allocated between the Series Accounts of the Class Account for Shares of the relevant Class and the Directors shall have the power at any time and from time to time vary such basis;
- (d) the Directors shall have discretion to determine the basis upon which any Segregated Portfolio Liability attributable to a particular Class shall be allocated between the Series Accounts (including conditions as to subsequent reallocation thereof if circumstances so permit) of the Class Account and shall have power at any time and from time to time to vary such basis; and
- (e) the Directors or the Fund's duly authorised agent may transfer in the books of the relevant Segregated Portfolio any assets (or amounts treated as notional assets) to and from the Series Accounts of the relevant Class Account if, as a result of a creditor or litigant proceeding against certain of the assets of the Fund or otherwise, a liability would be borne in a different manner from that in which it would have been borne under sub-paragraph (d) above, or in any similar circumstances.

DISTRIBUTIONS ON A WINDING-UP OR RECEIVERSHIP

On any winding-up of the Fund or receivership of a Segregated Portfolio, Shareholders of a particular Segregated Portfolio will be entitled *pari passu* with the holders of Shares of the same Class or Series, to be repaid out of the assets of the relevant Class or Series the capital paid upon such Shares, and thereafter to share *pro rata* in any surplus assets of the relevant Class or Series, as appropriate.

DESCRIPTION OF THE SHARES

RIGHTS OF THE SHARES AND MANAGEMENT SHARES

Management Shares

Axioma Wealth Management AG has subscribed for 100 Management Shares in the Fund. The Management Shares entitle the holder to one vote per Share at a general meeting of the Fund and generally may not be redeemed. The Management Shares may participate in profits or dividends attributable to the General Assets but not those attributable to any Segregated Portfolio and holders of Management Shares are entitled to any surplus General Assets upon liquidation.

Shares

The Shares offered in any Segregated Portfolio shall carry no entitlement to vote at, attend or receive notice of a general meeting of the Fund (subject to any class rights applicable under the Articles), but they shall have those rights and restrictions as to subscriptions, redemptions, Base Currency, valuations, applicable fees, dividends and distributions on winding-up attributable to their respective Class and Segregated Portfolio as may be specified in any applicable Portfolio Supplement and the Articles.

SIDE POCKET SHARES

The Side Pocket Shares in any Segregated Portfolio carry no entitlement to vote at, attend or receive notice of a general meeting of the Fund, and they are not redeemable at the option of the Shareholders but they shall have those rights and restrictions as to valuations, applicable fees, dividends and distributions on winding-up as may be specified in the applicable Offering Documents and the Articles.

ADDITIONAL SEGREGATED PORTFOLIOS

Further Segregated Portfolios may be established by the Fund at any time without reference to the Shareholders of the other Segregated Portfolios. A separate Portfolio Supplement relating to each new Segregated Portfolio, to be read in conjunction with this Memorandum, will be issued by the Directors when each new Segregated Portfolio is created.

FURTHER SHARE ISSUES

The Fund may in the future issue any additional Classes of Shares that may differ in terms of Management Fees and Performance Fees, Distribution Fees, Introduction Fees, Subscription Fees, Redemption Fees, permitted Subscription Days, Redemption Days and Redemption Notice Periods, Base Currency, minimum subscription amounts, investor eligibility requirements, legal restrictions, permitted leverage, and in any other respects, in the Directors' sole discretion. Such additional Classes of Shares may be issued within new Segregated Portfolios or existing Segregated Portfolios. Where a Segregated Portfolio has more than one Class of Shares attributed to it, such Segregated Portfolio may have more than one Portfolio Supplement relating to it, in which instance any references in the Offering Documents to a Segregated Portfolio having a separate Portfolio Supplement should be construed accordingly.

FORM OF SHARES

Shares will be in registered form and share certificates will not be issued unless the Directors determine otherwise in their sole discretion.

OTHER RIGHTS AND LIABILITIES

All Shareholders are entitled to the benefit of, are bound by and are deemed to have notice of, the provisions of the Articles. The liability of the Shareholders is ordinarily limited to any amount unpaid on their Shares and Shareholders will not be liable for any debt or obligation of the Fund or any Segregated Portfolio.

SERIES ROLL-UP

Where Shares of a particular Class are subject to a Performance Fee they may be issued in Series for the purposes of applying the different Performance Fees which shall be fairly attributable to the appreciation in Net Asset Value of each such Series, the first Series being the “Initial Series” and the subsequent Series being numbered sequentially. Each Series of Shares of a particular Class may be re-designated and converted (i.e. rolled up) by way of redemption and reissue into Shares of the Initial Series, or such other Series as the Directors or the Administrator may determine to give effect to the Performance Fee calculation, as soon as this may be equitably effected upon the dates and terms set out in the Portfolio Supplement for a Segregated Portfolio.

RISK FACTORS

Investment in the Fund and its Segregated Portfolios carries a high degree of risk including, but not limited to, the risks referred to below. No assurance can be given that Shareholders will realise a profit on their investment. The following risk factors are general in nature and will apply to all Segregated Portfolios. Further risk factors arising only in respect of a specific Segregated Portfolio will be separately dealt with in the relevant Portfolio Supplement. Moreover, Shareholders may lose some or all of their investment. Potential investors should note that the risk factors set out below and in the relevant Portfolio Supplement are not exhaustive. Potential investors should review the Offering Documents carefully and in their entirety and consult with their professional advisors before making an application for Shares. In this section, a reference to the Fund means the Fund and its Segregated Portfolios, or any of them, and references to the investment activities of the Fund shall include the investment activities of the Fund (on behalf of and for the account of its relevant Segregated Portfolios).

GENERAL INVESTMENT RELATED RISKS

Potential Loss of Investment

No guarantee or representation is made that the Fund's investment approach will be successful. The Fund is subject to market fluctuation and to the risks inherent in all investments. The Net Asset Value per Share of any Class may go down as well as up. As is true of any investment, there is a risk that an investment in the Fund will be lost entirely or in part. The Fund is not a complete investment programme and should represent only a portion of an investor's portfolio management strategy. No assurance can be given that a Segregated Portfolio will achieve its overall investment objective.

Equities

Equities in which the Fund invests may involve substantial risks and may be subject to wide and sudden fluctuations in market value, with a resulting fluctuation in the amount of profits and losses.

Fixed-Income Investments

The value of the fixed-income Securities in which the Fund may invest will change as the general levels of interest rates fluctuate. When interest rates decline, the value of the Fund's fixed-income Securities can be expected to rise. Conversely, when interest rates rise, the value of such Securities can be expected to decline. Investments in lower rated fixed-income Securities in which the Fund may invest, while generally providing greater opportunity for gain and income than investments in higher rated Securities, usually entail greater risk (including the possibility of default or bankruptcy of the issuers of such Securities).

Market Risk

Securities of the kind proposed to be invested in by the Fund and their issuers are affected by, among other things: changing supply and demand; laws, regulations and enforcement activities; trade; fiscal and monetary programmes and policies; and national and international political and economic developments. The effect of such factors on the prices of Securities in general, or a particular Security, is difficult to

predict. In addition to general investment risks, the Investment Manager may use investment techniques that may subject a Segregated Portfolio to certain risks.

Distressed Securities

The Fund may invest in Securities of issuers in weak financial condition, experiencing poor operating results, having substantial financial needs or negative net worth, facing special competitive or product obsolescence problems, or issuers that are involved in bankruptcy or reorganisation proceedings. Investments of this type involve substantial financial business risks that can result in substantial or total losses. The market prices of such Securities are also subject to abrupt and erratic market movements and above average price volatility, and the spread between the bid and asked price of such Securities may be greater than normally expected.

Suspensions of Trading

For all Securities, Derivatives or commodities traded on public exchanges, each exchange typically has the right to suspend or limit trading in all Securities, Derivatives or commodities that it lists. Such a suspension could render it impossible for the Fund to liquidate its positions and thereby expose it to losses. In addition, there is no guarantee that non-exchange markets will remain liquid enough for the Fund to close out positions.

Availability of Investment Strategies

The success of the Fund's investment activities will depend on the Investment Manager's ability to identify investment opportunities, including without limitation special purpose investment vehicles, as well as to assess the import of news and events that may affect the financial markets. Identification and exploitation of the investment strategies to be pursued by a Segregated Portfolio involves a high degree of uncertainty. No assurance can be given that the Investment Manager will be able to locate suitable investment vehicles in which to deploy all of a Segregated Portfolio's assets.

Changes in Investment Strategies

The investment strategies described in the Portfolio Supplement may be altered without prior approval by, or notice to, the Shareholders if the Investment Manager determines that such change is in the best interests of the Segregated Portfolio. Any such decision to engage in a new activity could result in the exposure of a Segregated Portfolio's capital to additional risks which may be substantial.

Possibility of Fraud

The recent crisis impacting the global financial markets and funds has exposed a number of instances where entities in which funds were invested in are alleged to have committed significant acts of fraud. As a consequence a number of funds have lost significant amounts of their investments. Although the Fund will undertake due diligence on any Underlying Funds there can be no assurance that the Fund will not be exposed to any such situation.

Limited Liquidity of Some Investments

Some investments in which the Fund may take a position may be relatively illiquid. The Fund may not be able to liquidate its Investments quickly if the need should arise, and the ability to realise gains or to

avoid losses in periods of rapid market activity may therefore be affected. The value assigned to these Investments may differ from the value the Fund is ultimately able to realise.

Use of Leverage

Unless the applicable Portfolio Supplement expressly prohibits the use of leverage, the Fund may employ leverage in connection with its investment activities, and an investment in a Segregated Portfolio poses substantial risk as a result of such activities.

A Segregated Portfolio may invest on a leveraged basis either by acquiring Derivatives which are inherently leveraged such as futures (described below under the heading **Trading Futures and Commodities**) or by entering into arrangements with one or more banks, securities brokers or dealers or others. A Segregated Portfolio may achieve leverage through any one of several alternative arrangements, which the Directors will determine in their discretion and may change or alter from time to time. Among these options are arrangements whereby the Segregated Portfolio borrows funds for investment, pledging its interests in the acquired Investments to the lender as collateral. Alternatively, a Segregated Portfolio may enter into a swap pursuant to which the swap counterparty or an affiliate of the swap counterparty (rather than or in addition to the Segregated Portfolio) will invest in underlying Investments, and the Segregated Portfolio will pledge its assets to the counterparty as collateral. The risks associated with any such arrangement include the following:

- (a) under any leverage arrangement, the leverage will increase both the magnitude of the Segregated Portfolio's losses (in that even a slight decrease in the value of the Segregated Portfolio's Investments could result in significant losses to the Segregated Portfolio) and the Segregated Portfolio's transaction costs, interest expenses or other costs and expenses;
- (b) a Segregated Portfolio is not subject to limits on its leveraging activities except as required by applicable law or as set out in the applicable Portfolio Supplement;
- (c) as noted above, in connection with a Segregated Portfolio's leverage arrangements the Segregated Portfolio's assets will generally serve as the collateral that secures the Segregated Portfolio's obligations. Under certain circumstances, the lender could demand that the Segregated Portfolio increase that collateral. If the Segregated Portfolio were unable to do so, the Segregated Portfolio could be required to redeem its interest in the underlying Investments to satisfy the Segregated Portfolio's obligations at a disadvantageous time and under circumstances that could adversely affect the Segregated Portfolio's investment activities and performance;
- (d) likewise, upon the occurrence of certain other "credit events" (generally related to the Segregated Portfolio's performance or other aspects of its activities), a lender or swap counterparty may demand that the Segregated Portfolio satisfy its obligations immediately and terminate the lending relationship. The occurrence of any such event could have extremely adverse consequences, including termination of investment positions at disadvantageous times and prices and the acceleration of tax consequences, causing the Segregated Portfolio to experience substantial losses; and
- (e) to the extent a Segregated Portfolio's leverage arrangements involve entering into a swap transaction, the Segregated Portfolio will be exposed to the general risks associated with Investments in swaps and other derivatives, including the risk that its swap counterparty will default. If the swap counterparty were to default on its obligations under the swap, the

Segregated Portfolio could experience substantial losses and, in any event, would be required to secure alternative leverage arrangements at a disadvantageous time and under circumstances that could adversely affect its investment activities and performance.

Short Selling

Unless the relevant Portfolio Supplement expressly prohibits short selling, the Fund may sell Securities short as a regular part of its investing and trading activities. In a short sale, investors sell Securities they do not own in the expectation that the market price of such Security will decline and that they will be able to subsequently buy replacement securities at a lower price. Short sales are effected by borrowing Securities from a broker or other third party and subsequently “closing” the position by “returning” the Security (buying a replacement Security on behalf of the lender) whenever the investor is ready to take a profit or limit a potential for loss or at such time as the lender chooses. As collateral for this obligation and to “close” the short position, an investor is required to leave the proceeds of the short sale with the broker that effected the transaction and deliver an additional amount of cash or other collateral as dictated by margin regulations or as required by the broker. Due to the repayment obligation, a short sale theoretically involves the risk of unlimited loss because the price at which “replacement” Securities must be purchased could increase without limit. There can be no assurance that the Fund will not experience losses on short positions or that the Investment Manager will be able to close short positions in a timely manner and, if the short sales result in losses, there can be no assurance that such losses will be offset by gains on any long positions to which they may relate.

Currency Considerations

It is anticipated that certain assets of the Segregated Portfolios and their holdings may be denominated in currencies other than their Base Currency. The effect of this is that any income and the value of the assets of the Segregated Portfolios as measured in their Base Currency may be affected favourably or unfavourably by fluctuations in currency rates and exchange control regulations. Further, the Segregated Portfolios may incur costs in connection with conversions between various currencies. Investors may bear the risk of adverse movements in the exchange rate of the relevant Base Currency with the currencies in which Investments or margin are denominated and with the investors’ own base currency. Save as otherwise provided in its Portfolio Supplement, a Segregated Portfolio is under no obligation to carry out any currency hedging in respect of any currency positions.

Hedging Risks

The Investment Manager may employ various techniques to attempt to reduce the risks inherent in the investment strategies of the Fund. The ability to achieve the desired effect through a particular technique is dependent upon many factors, including the liquidity of the market at the desired time of execution. Thus, substantial risk remains that such techniques cannot always be implemented or effective in reducing losses. Hedging transactions, including the use of derivative contracts which may be used, have risks associated with them, including possible default by the other party to the transaction, illiquidity, a lack of regulation in certain over-the-counter-markets and, to the extent that the view of the Investment Manager as to certain market movements is incorrect, the risk that the use of hedging transactions could result in losses greater than if they had not been used.

Segregated Portfolios may but are not required to carry out hedging strategies. Hedging strategies are usually intended to limit or reduce investment risk, but they can also be expected to involve transaction costs and may inherently limit or reduce the potential for profit. Save as expressly prohibited by any applicable Portfolio Supplement, the Fund may use Derivatives including without limitation futures,

currency options or interest rate swaps, caps and floors either as an independent source of profit or to seek to hedge its portfolio positions against fluctuations in value as a result of changes in the value of individual equities, commodities, futures, options, indices, currency exchange rates or market interest rates. Entering into such transactions may involve borrowings by a Segregated Portfolio from the lender. Hedging involves special risks including the possible default by the other party to the transaction, illiquidity, and, to the extent the Investment Manager's assessment of certain market movements is incorrect, the risk that the use of hedging could result in losses greater than if hedging had not been used. Hedging against a decline in the value of a position does not eliminate fluctuations in the value of positions or prevent losses if the values of such positions decline but establishes other positions designed to gain from those same developments, thereby moderating the decline in the value of a position. Hedging transactions of this variety also limit the opportunity for gain if the value of the hedged position should increase. Moreover, it may not be possible to hedge a particular portfolio position or to enter into a hedging transaction at a price sufficient to protect a Segregated Portfolio from the anticipated decline in value of a position.

Although the Fund may enter into such transactions to seek to reduce such risks, unanticipated movements may result in poorer overall investment performance than if it had not engaged in such transactions. In addition, the degree of correlation between price movements of the instruments used in a hedging strategy and price movements in the portfolio being hedged may vary. Moreover, for a variety of reasons, the Investment Manager may not seek to establish a perfect correlation between such hedging instruments and the portfolio positions being hedged. Such imperfect correlation may prevent the Fund from achieving the intended hedge or expose the Fund to risk of loss.

RISKS OF DERIVATIVES

Unless the relevant Portfolio Supplement expressly prohibits the use of Derivatives, the Fund may trade and invest in Derivatives as part of its core activities and for both speculative and hedging purposes. The Fund's ability to profit or avoid risk through investment or trading in Derivatives will depend on the ability of the Investment Manager to anticipate changes in the underlying assets, reference rates or indices.

Trading Futures and Commodities

Unless the relevant Portfolio Supplement expressly prohibits such trading, the Fund may trade in futures contracts or other instruments related to the value of commodities, securities indices or currencies (collectively, **commodity interests**). Such trading is highly speculative and may entail risks that are greater than investing in Securities. Prices of commodity interests are generally more volatile than prices of Securities. A high degree of leverage is typical of a futures contract and as a result, a relatively small price movement in a futures contract may result in substantial losses. Futures trading will have effects on a Segregated Portfolio's Segregated Portfolio Assets similar to the effects of leveraging or borrowing. The Fund may speculate on the market price fluctuations of Securities or commodities underlying commodity interests, while investing only a small percentage of the value of those underlying Securities or commodities.

The Fund may open futures positions by placing with a futures commission merchant an initial margin that is small relative to the value of the futures contract, making the transaction "leveraged." If the market moves against the Fund's positions or margin levels are increased, the Fund may be called upon to pay substantial additional funds on short notice to maintain its positions. If the Fund were to fail to make such payments, positions could be liquidated at a loss, and the relevant Segregated Portfolio would be liable for any resulting deficits.

Futures positions may be illiquid because, among other things, some commodity exchanges limit fluctuations in certain futures contract prices during a single day. Once the price of a contract for a particular future has increased or decreased by an amount equal to the “daily limit”, positions can neither be taken nor liquidated unless traders are willing to effect trades at or within the limit. Such an occurrence could prevent the Fund from liquidating unfavourable positions and subject it to substantial losses. In addition, the Fund may not be able to effect futures contract trades at favourable prices if trading volume in those contracts is low.

Options

The trading of options is highly speculative and may entail risks that are greater than investing in Securities. The Fund may speculate on market fluctuations in the value of Securities, currencies, futures or securities-exchange indices while investing only a small percentage of the value of the assets or indices underlying the option. A change in the market price of an underlying asset or index will cause a much greater change in the price of the related option contract. In addition, to the extent that the Fund purchases options that it does not sell or exercise, it will suffer the loss of the premium it paid. To the extent the Fund sells options and must deliver the underlying Securities or Derivatives at the option price, the Fund has an unlimited risk of loss if the price of the underlying instrument increases. To the extent the Fund must buy the underlying Securities or Derivatives, the Fund risks the loss of the difference between the market price of the underlying instrument and the option price. Any gain or loss derived from the sale or exercise of an option will be reduced or increased, respectively, by the amount of the premium paid. The expenses of option investing include commissions payable on the purchase, exercise or sale of an option.

The Fund may buy or sell “over-the-counter” options, i.e., options that are not traded on an exchange and which are not issued by an options clearing entity. The risk of non-performance by the obligor on such an option may be greater, and the ease with which the Fund can dispose of such an option may be less, than in the case of an exchange-traded option issued by an options clearing entity.

When the Fund writes options it may do so on a “covered” or an “uncovered” basis. If the Fund sells covered call options, it limits its opportunity to benefit from an increase in the value of the underlying security while continuing to bear the risk of decline in the value of that security.

Forward Trading

Forward contracts and options thereon, unlike futures contracts, are not traded on exchanges and are not standardised; rather banks and dealers act as principals in these markets, negotiating each transaction on an individual basis. Forward trading is substantially unregulated, i.e., there is no limitation on daily price movements and speculative position limits are not applicable. The principals who deal in forward markets are not required to continue to make markets in the currencies or commodities they trade and these markets can experience periods of illiquidity, sometimes of significant duration. Certain participants may refuse to quote prices for certain currencies or commodities or may quote prices with an unusually wide spread between the price at which they are prepared to buy and the price at which they are prepared to sell. Disruptions can also occur in forward markets due to unusually high trading volume, political intervention or other factors. The imposition of controls by government authorities might also limit forward (and futures) trading.

In addition, forward contracts are not guaranteed by an exchange or clearing house and the Fund will take credit risk on its forwards counterparties. Therefore, a default by the forward contract counterparty may result in a loss to the Fund of the value of unrealised profits on the contract or for the

difference between the value of its commitments, if any, for purchase or sale of the relevant commodity or currency at the current spot rate and the value of those commitments at the forward contract exchange rate.

Stock Indices and Related Derivatives

The use of options on stock indices and stock-index futures contracts as hedging devices involves several risks. No assurance can be given that a correlation will exist between price movements in such options and those of the securities being hedged. Positions in futures contracts may be closed out only on the exchange on which they were entered into or through a linked exchange. In addition no assurance can be given that an active market will exist for the contracts at any particular time.

Over-the-Counter Derivatives

The Fund may enter into “over-the-counter” Derivatives transactions. Transactions in these Derivatives contracts are not traded on any exchange and are not issued by clearing houses. The notional interests underlying swaps or other Derivatives may include individual securities, securities indices, interest rates, commodities or commodities indices which may be denominated in various currencies. The Fund will be less able to dispose of or close open positions created through over-the-counter transactions than positions created with exchange-traded options or futures. Over-the-counter Derivatives are subject to the risk of non-performance by the counterparty and the creditworthiness of the counterparty. The risk inherent in such transactions is greater than the risk involving standardised contracts traded on exchanges or issued by clearing houses. Swap contracts, contracts for differences, and other over-the-counter derivatives are not traded on exchanges; rather banks and dealers act as principals in these markets. As a result, the Fund will be subject to the risk of the inability or refusal to perform with respect to such contracts on the part of any counterparties with which a Segregated Portfolio trades. Over-the-counter Derivatives may also expose the Fund to additional liquidity risks. Over-the-counter Derivatives markets are generally not regulated by any governmental authority. Participants in these markets are not required to make continuous markets in the contracts they trade.

SMALLER-CAPITALISATION SECURITIES

A Segregated Portfolio may invest in many small- and medium-capitalisation Securities that are followed by relatively few securities analysts with the result that there may be less publicly available information concerning such Securities compared to what is available for exchange-listed or larger companies. The Securities of such companies may have limited trading volumes and may be subject to more abrupt or erratic market movements than the Securities of larger, more established companies or the market averages in general, and the Fund may be required to deal with only a few market makers when purchasing and selling such Securities. Transaction costs in small- and medium-capitalisation Securities may be higher than those involving larger capitalised companies. Such companies may have limited product lines, markets or financial resources, may lack management depth and may be more vulnerable to adverse business or market developments.

TIMING OF GAINS AND LOSSES

The Fund may invest in Securities that must be held for significant periods before the success or failure of the Investment becomes apparent or any gains can be realised. It may take longer for successful Investments to realise their potential than for unsuccessful ones to reveal their weaknesses.

DIFFICULTY OF LOCATING ATTRACTIVE INVESTMENTS

Identifying, completing and realising gain on the Fund is a highly competitive activity and involves significant uncertainty. The Segregated Portfolios will compete for investments with other investment vehicles, as well as financial institutions and other institutional investors, which may have more resources than the Segregated Portfolios.

EFFECT OF SUBSTANTIAL REDEMPTIONS

Substantial redemptions by Shareholders within a short period of time could require or result in the liquidation of Securities and Derivatives positions more rapidly than would otherwise be desirable, possibly reducing the value of a Segregated Portfolio's assets or disrupting the Investment Manager's investment strategy. Reduction in the size of a Segregated Portfolio could make it more difficult to generate a positive return or to recoup losses due to, among other things, reductions in the Segregated Portfolio's ability to take advantage of particular investment opportunities or decreases in the ratio of its income to its expenses. The recent crisis that has impacted global financial markets and hedge funds in general has caused many funds to find themselves in difficult situations where substantial redemptions, combined with general or specific lack of liquidity in the markets, result in an inability on the part of the funds to adequately manage their portfolios or meet redemption requests. As a consequence, many funds resorted to suspending or otherwise restricting redemptions. While it is not the intention of the Fund and the Segregated Portfolios to be in such situation, there can be no assurance that the Fund and the Segregated Portfolios will not be similarly impacted. The Fund and the Segregated Portfolios have the power, under the Articles, to take action similar to that taken by many hedge funds suffering liquidity or valuation issues. Were the Directors to determine that invoking such powers would be in the best interests of any specific Segregated Portfolio and all of its Shareholders, then Shareholders could be subject to such actions.

NO INDEPENDENT REPRESENTATION FOR SHAREHOLDERS

Legal counsel for the Investment Manager or any of its affiliates do not and will not serve as counsel for the Shareholders or represent the interests of the Shareholders or in connection with the business of the Fund or any Segregated Portfolio or any offering of Shares, and such counsel disclaim any fiduciary or attorney/client relationship with the Shareholders. The attorneys, accountants and other experts who perform services for the Fund or a Segregated Portfolio or for the Investment Manager on behalf of the Fund or on behalf of and for the account of any Segregated Portfolio do not represent or perform services for the Shareholders. Prospective investors should obtain the advice of their own counsel regarding legal matters.

SETTLEMENT RISKS

A Segregated Portfolio will be exposed to a credit risk on parties with whom it trades and will also bear the risk of settlement default. Market practices in the emerging markets in relation to the settlement of Securities transactions and custody of assets will provide increased risk. Although the emerging markets have grown rapidly over the last few years, the clearing, settlement and registration systems available to effect trades on such markets are significantly less developed than those in more mature world markets which can result in delays and other material difficulties in settling trades and in registering transfers of securities. Problems of settlement in these markets may affect the Net Asset Value and liquidity of a Segregated Portfolio.

COUNTERPARTY RISKS

The Fund will transact most of its investments through financial institutions including but not limited to brokers, dealers, futures commission merchants and banks. All purchases and sales of Securities will carry counterparty risks until the transactions have settled. All Derivative transactions will carry counterparty risks either until the Derivatives expire or until the Derivatives are exercised and the underlying Securities or cash are settled or until the Derivatives are offset under the terms of their contracts. All financing transactions such as borrowing or lending of services or Securities will carry counterparty risks until such borrowing or lending has terminated and the relevant collateral is returned. Deposits of Securities or cash with a Custodian, bank or financial institution may carry counterparty risk. Upon default by a counterparty the Segregated Portfolio may be forced to unwind certain transactions and the Segregated Portfolio may encounter delays and difficulties with respect to court procedures in seeking recovery of the Segregated Portfolio's assets. The recent crisis that has impacted global financial markets has resulted in sometimes significant losses by funds where a counterparty has been unable to settle transactions, either because of bankruptcy or for other reasons. While the Fund makes every effort to ensure that its counterparties are healthy and not likely to expose the Fund and the Segregated Portfolios to such risks, there can be no assurance that the Fund and the Segregated Portfolios will not be adversely impacted by any future events affecting its counterparties.

CERTAIN RISKS RELATING TO CUSTODIAN

The Fund is at risk of the Custodian entering into an insolvency procedure. During such a procedure (which may last many years) the use by the Fund of assets held by or on behalf of the Custodian may be restricted and accordingly: (i) the ability of the Investment Manager to fulfil the investment objectives of a Segregated Portfolio may be severely constrained; (ii) the Fund or a Segregated Portfolio may be required to suspend the calculation of the Net Asset Value and as a result subscriptions for and redemptions of Shares; and/or (iii) the Net Asset Value may be otherwise affected. During such a procedure, the Fund and each Segregated Portfolio may be an unsecured creditor in relation to certain assets (including those in respect of which it had previously been a secured creditor) and accordingly the Fund and each Segregated Portfolio may be unable to recover such assets from the insolvent estate of the relevant Custodian in full, or at all.

CERTAIN RISKS RELATED TO THE INVESTMENT MANAGER

Dependence on the Investment Manager and Key Personnel

The Fund depends on the services of the Investment Manager, its directors, and its other personnel. Loss of the services of any key personnel, including, but not limited to, those named in the Offering Documents, could materially adversely impact the Fund.

The Investment Manager will make all decisions with respect to the Segregated Portfolios' Investments. Investors will have no opportunity to evaluate the suitability of any of the Investments of the Fund. The Investment Manager will make all decisions regarding the general management of each Segregated Portfolio. Investors in the Fund have no right or power to take part in the management of the Fund. Investors must therefore rely entirely on the judgement of the Investment Manager in investing the proceeds of the Fund.

CERTAIN RISKS RELATED TO FUND'S STRUCTURE

Charges to each Segregated Portfolio

Each Segregated Portfolio is obligated to pay certain fees and expenses, including Management Fees, Performance Fees, brokerage commissions, servicing fees and other costs and expenses associated with the acquisition and disposition of Investments and operating costs and expenses, irrespective of profitability. There can be no assurance that each Segregated Portfolio will be able to earn sufficient income to offset these charges.

Indemnification Obligations

The Fund's Directors and Officers, and its service providers and each of their directors, officers, employees, agents and/or affiliates are entitled to be indemnified in certain circumstances. As a result, there is a risk that the Fund's assets (including the assets of the Segregated Portfolio(s)) will be used to indemnify such persons or satisfy their liabilities as a result of their activities in relation to the Fund and/or any Segregated Portfolio.

In the case of the Directors and Officers, such persons are indemnified by the Fund to the fullest extent permitted by law against liability and against all expenses reasonably incurred or paid by them in connection with any debt, claim, action, demand, suit, proceeding, judgement, decree, liability or obligation of any kind in which they become involved as a party or otherwise by virtue of his being or having been a Director, Officer or employee of the Fund except where any of the foregoing is attributable to any negligence or wilful default on the part of such Director, Officer or employee.

Segregated Portfolio Structure

The Fund is a single legal entity under Cayman Islands law, however as a segregated portfolio company and provided certain formalities are followed, Shareholders may only enforce claims against the Segregated Portfolio to which their Shares have been properly attributed. Creditors of a particular Segregated Portfolio, in the absence of contrary contractual provisions, will not be able to make claims against other Segregated Portfolios or the General Assets. The statutory provisions which provide for segregation of the assets and liabilities between Segregated Portfolios are untested in the courts of the Cayman Islands and elsewhere. A number of other jurisdictions have laws containing similar provisions but such provisions are also believed to be largely or wholly untested. In the Cayman Islands such provisions have the force of law and should be upheld in any court proceedings. In the event that the segregation of assets and liabilities between Segregated Portfolios is not recognised in any court proceedings outside the Cayman Islands involving a Segregated Portfolio there is a risk that Shareholders and creditors of the Fund or a particular Segregated Portfolio may have recourse against the assets of all Segregated Portfolios.

Lack of Segregation of Liabilities within the Same Segregated Portfolio

Each Segregated Portfolio may issue Shares in a number of Classes. There is no effective segregation of liabilities among Classes of the same Segregated Portfolio against creditors of such Segregated Portfolio.

Shareholders will not Participate in Management

A Shareholder has no right to participate in the management of the Fund or in the conduct of its business. There exists broad discretion to expand, revise, or contract the Fund's business without the consent of

the Shareholders. Any decision to engage in a new activity could result in the exposure of the Fund's capital to additional risks which may be substantial.

Restrictions on Transfers of Shares

The Shares offered hereby are subject to restrictions limiting transferability. The Shares have not been registered or qualified for offer or sale under the laws of any jurisdiction. The Directors have broad discretion to refuse to authorise a transfer of Shares. A liquid secondary market in the Shares is not expected to develop. As a result of these considerations, investors may not be able to liquidate their investment quickly.

Compulsory Redemption of Shares

The Shares of any Shareholder may be compulsorily redeemed by the Fund at any time if the total value of the Shares held by the investor is less than the minimum investment of a Segregated Portfolio or in the sole discretion of the Directors, which may result in regulatory, pecuniary, legal, taxation or material administrative disadvantage for the Fund or the investors as a whole.

Risk of Litigation

The Fund and the Investment Manager, as independent legal entities, may be subject to lawsuits or proceedings by government entities or private parties. Except in certain limited circumstances, expenses or liabilities of the Fund and the Investment Manager attributable wholly or partly to a Segregated Portfolio arising from any suit will be borne by such Segregated Portfolio.

Valuation

From time to time, special situations affecting the valuation of Investments (such as limited liquidity, unavailability or unreliability of third-party pricing information and acts or omissions of service providers) could have an impact on the Net Asset Value of a Segregated Portfolio, particularly if prior judgements as to the appropriate valuation of an Investment should later prove to be incorrect after a Net Asset Value-related calculation or transaction is completed. The Fund is not required to make retroactive adjustments to prior subscription or redemption transactions or management fees based on subsequent valuation data.

Performance Fees

It is currently contemplated that the Investment Manager may receive Performance Fees from each Segregated Portfolio as outlined in the respective Segregated Portfolio's Portfolio Supplement. To the extent that the Investment Manager will be entitled to receive Performance Fees, such fees may create an incentive for the Investment Manager to engage in investment strategies and make investments that are more speculative than would be the case in the absence of such fees. Furthermore, the Performance Fees are not subject to a cap.

The increase in Net Asset Value used as a basis for the calculation of the Performance Fees may involve both realised and unrealised gains as at the end of the respective calculation period and thus the Performance Fees may be paid on unrealised gains which may never be realised by the relevant Segregated Portfolio.

OTHER RISKS

No Operating History

The Fund and the Segregated Portfolios were recently established in the Cayman Islands and accordingly do not have an operating history upon which investors may base an evaluation of their likely performance. The results obtained by the Fund and the Segregated Portfolios will depend upon the availability of suitable investment opportunities and the performance of the Investments of the relevant Segregated Portfolio.

General Economic and Financial Conditions

The success of any investment activity is influenced by general economic and financial conditions that may affect the level and volatility of equity prices, interest rates, and the extent and timing of investor participation in the markets for both equity and interest-rate-sensitive Securities. Unexpected volatility, illiquidity, governmental action, currency devaluation, or other events in the global markets in which the Fund directly or indirectly holds positions could impair the Fund's ability to carry out its business and could cause the Fund to incur substantial losses. The recent crisis affecting the world's leading economies and financial institutions have caused significant difficulties for companies and certain of the world's leading economies are experiencing a slowdown in economic activity and increases in unemployment and generally worsening economic and financial conditions. Any prolonged recession across the leading economies, including those in emerging markets, could have a material negative impact on the Fund's Investments.

Increased Regulation

Events during the past few years (including market volatility and disruptions and the bankruptcy, failure, improper practices, and adverse financial results of certain financial institutions, trading firms, and private investment funds) have focused attention upon the necessity of firms engaging in the trading of highly leveraged securities, commodities, and derivatives to maintain adequate risk controls and compliance procedures. In addition, these events have led to increased governmental and self-regulatory authority scrutiny of various trading participants and the "hedge fund" industry in general, particularly with regard to business practices, transparency and monitoring of trading positions, and protection of customer funds. Inquiries have been conducted to ascertain the investor protection implications of the growth of private investment funds, and proposals have been made with regard to best business practices and additional regulation of such funds, their operators and advisors, and certain of their activities, including proposed restrictions on certain types of trading and proposals for increased public and private disclosure of financial, trading, and risk management information.

It is impossible to predict what, if any, changes in regulation will result from these events. However, any regulations that restrict the ability of the Fund to employ, or broker-dealers and counterparties to extend, credit in connection with the Fund's trading, or otherwise restrict trading activities, such as for example restrictions on short selling, or require the Fund to disclose proprietary information, or subject it to additional regulation, could adversely impact the Fund and its profit potential.

Taxation

The Fund may take positions with respect to certain tax issues that depend on legal conclusions not yet resolved by the courts. Should any positions be successfully challenged by any applicable tax authorities, there could be a material adverse effect on the Fund.

Alternative Investment Fund Managers Directive

The EU Alternative Investment Fund Managers Directive (No. 2011/61/EU) (the **AIFMD**) regulates alternative investment fund managers (**AIFMs**). Although AIFMs domiciled outside the EU (“**non-EU AIFMs**”) will not be required to comply with the AIFMD requirements if there is no management or marketing of funds within the EU, any marketing of their funds to investors domiciled in the European Economic Area (the **EEA**) will be subject to requirements and limitations imposed by the AIFMD. In particular, between 2013 and 2018, Member States of the EEA may (but are not required to) permit the marketing of funds managed by non-EU AIFMs to professional investors in their territory provided that, at least, certain requirements relating to regulatory, investor disclosure, transparency and reporting prescribed by the AIFMD are met (the “**national private placement regimes**”). In addition, the jurisdiction of domicile of the non-EU AIFM and of the fund it is marketing in the EEA (if the fund is not itself domiciled in the EU) must have in place certain cooperation agreements with the EEA Member State in which the fund is being marketed and both the jurisdiction of the non-EU AIFM and the fund being marketed must be FATF compliant.

The AIFMD sets out minimum conditions related to the marketing of interests in alternative investment funds (such as the Shares) in the EEA Member States that have implemented the AIFMD (the **Relevant Member States**). Certain conditions will have to be met to permit the marketing of Shares to professional investors in the EEA. These conditions include requirements to register the Fund as being marketed in the Relevant Member State, requirements to file periodic reports with the competent authority in the Relevant Member State and requirements to comply with disclosure and reporting requirements in respect of investors in the Relevant Member State. Such reports and disclosures may become publicly available. Moreover, the AIFMD is still being implemented in certain Member States of the EEA (although it is likely to be implemented in any remaining Member States in the near term). There is no guarantee that these conditions will be met or will continue to be met in relation to the Relevant Member States of the EEA where Shares may be marketed. Any regulatory changes arising from such implementation that impair the ability of the AIFM to manage the investments of the Fund, or limit its ability to market Shares in the future, may adversely affect the Fund’s ability to continue to implement its investment approach.

It is difficult to predict the full extent of the impact of the AIFMD on the Fund or the Investment Manager. The Board of Directors and/or Investment Manager will continue to monitor the position and reserve the right to adopt such arrangements as they deem necessary or desirable to comply with the applicable requirements of the AIFMD and to make any filings which may be required in order to market Shares to professional investors in the EEA.

The AIFMD does not, however, prohibit an investor in a Relevant Member State subscribing for Shares at their own initiative in circumstances where such Shares have not been marketed in such Relevant Member State and the Fund may issue Shares to such investors. Any investor subscribing for Shares at their own initiative in a Relevant Member State should note that if the Fund has not been registered as being marketed in the Relevant Member State, no reports will be filed with the competent authority in the Relevant Member State by or in respect of the Fund and no investor shall be entitled to receive any disclosure or report that is mandated in respect of an alternative investment fund being marketed in any Relevant Member State.

To the extent any such registration and marketing in a Relevant Member State does occur, relevant reports and disclosures to the regulator(s) of the Relevant Member State(s) in which the Fund is marketed may become publicly available.

The AIFMD and national implementing legislation is untested and, whilst unlikely at present, could lead to increased regulatory costs for the Fund or result in a restricted ability to market the Fund throughout Europe. In addition, in 2015 or 2018, depending on European legislative measures, the Investment Manager may opt to, or be required to, register as an AIFM and the Fund will then have to comply with all or additional provisions of the AIFMD, many of which currently do not apply to the Investment Manager or the Fund, to continue to market in the EEA.

It should be noted that any regulatory changes arising from implementation of the AIFM Directive may increase the expenses of the Fund or the Investment Manager related to compliance therewith and may impair the ability of the Investment Manager to market Shares in the EU in the future. As a result, such regulatory changes may have a material adverse effect on the Fund's ability to achieve its investment objective.

Compliance with Automatic Exchange of Information Legislation

US Foreign Account Tax Compliance Act

Sections 1471 through 1474 of the US Internal Revenue Code (referred to as **FATCA**) will impose a withholding tax of 30 per cent on certain US-sourced gross amounts paid to certain “Foreign Financial Institutions”, including the Fund, unless various information reporting requirements are satisfied. Amounts subject to withholding under these rules generally include gross US-source dividend and interest income, gross proceeds from the sale of property that produces dividend or interest income from sources within the US and certain other payments made by “Participating Foreign Financial Institutions” to “recalcitrant account holders” (so called “foreign pass thru payments”).

The Cayman Islands Government has entered into a Model 1 intergovernmental agreement with the United States (the **US IGA**) and implemented domestic regulations to facilitate compliance with FATCA. To comply with its obligations under applicable legislation, the Fund will be required to report FATCA information to the Cayman Islands Tax Information Authority (the **Cayman TIA**) which in turn will report relevant information to the United States Internal Revenue Service (**IRS**). To avoid withholding under FATCA, the Fund may request additional information from any Shareholder and its beneficial owners (that may be disclosed to the Cayman TIA and the IRS) to identify whether Participating Shares are held directly or indirectly by “Specified US Persons” (as defined in the US IGA). If the Fund is not able to comply with reporting requirements under the US IGA (whether due to a failure of one or more Shareholders to provide adequate information or otherwise), the 30 per cent withholding tax under FATCA could apply to the Fund.

UK requirements regarding tax reporting

The Cayman Islands Government has also signed an intergovernmental agreement with the United Kingdom (the **UK IGA**) in a broadly similar form to the US IGA. The UK IGA and the Cayman Islands implementing regulations impose similar requirements to the US IGA, so that the Fund will be required to identify Participating Shares held directly or indirectly by “Specified United Kingdom Persons” (as defined in the UK IGA) and report information on such Specified United Kingdom Persons to the Cayman TIA. The Cayman TIA will then exchange such information annually with HM Revenue & Customs, the United Kingdom tax authority.

OECD Common Reporting Standard requirements regarding tax reporting

The OECD has adopted a “Common Reporting Standard” (**CRS**), which is intended to become an international standard for financial account reporting. The Cayman Islands Government is a signatory to the multi-lateral competent authority agreement (**MCAA**) that will be adopted by all jurisdictions committing to the CRS (each a **Reporting Jurisdiction**). Other governments that have signed up to the CRS and the MCAA will implement local legislation and it is expected that the first exchanges of information under this regime will begin in 2017. Under the Cayman Islands implementing regulations (the **CRS Regulations**) the Fund will be required to make an annual filing in respect of Shareholders who are resident in a Reportable Jurisdiction and who are not covered by one of the exemptions in the CRS Regulations. The MCAA and reporting obligations under the CRS Regulations are very similar to the UK IGA and are expected to replace the UK IGA.

A list of Reporting Jurisdictions is expected to be published by the Cayman TIA and made available on their website (www.tia.gov.ky)

Implications for Shareholders

In order to comply with the US IGA, the UK IGA, the MCAA and the relevant domestic legislation (collectively **AEOI Legislation**), the Fund may be required to disclose certain confidential information provided by Shareholders to the Cayman TIA, which in turn will report the information to the relevant foreign fiscal authority. In addition, the Fund may at any time require a Shareholder to provide additional information and/or documentation which the Fund may be required to disclose to the Cayman TIA.

If a Shareholder does not provide the requested information and/or documentation, whether or not that actually leads to compliance failures by the Fund, or a risk of the Fund being subject to any withholding tax or other liability or being required to withhold amounts from distributions to be made to any Shareholder, the Fund may take any action and/or pursue any remedy at its disposal. Such action or remedy may include the compulsory redemption of some or all of the Participating Shares held by the Shareholder concerned or the conversion of such Participating Shares into Participating Shares of another Class.

To the extent the Fund incurs any costs or suffers any withholding as a result of a Shareholder’s failure, or is required by law to apply a withholding against the Shareholder, it may set off such amount against any payment otherwise due from the Fund to the Shareholder or may allocate such amount to the Participating Shares held by such Shareholder. No Shareholder affected by any such action or remedy shall have any claim against the Fund for any form of damages or liability as a result of actions taken or remedies pursued by or on behalf of the Fund in order to comply with the AEOI Legislation.

Shareholders are encouraged to consult their own advisors regarding the possible application of the AEOI Legislation and the potential impact of the same, on any their investment in the Fund.

CONFLICTS OF INTEREST

CONFLICTS OF INTEREST

The Investment Manager, the Directors, the Custodian and other service providers may face certain conflicts of interest in relation to the Fund and each Segregated Portfolio.

INVESTMENT MANAGER

The Investment Manager appointed by the Fund to manage the assets of any Segregated Portfolio may be subject to a variety of conflicts of interest in making Investments on behalf of and for the account of a Segregated Portfolio. For example, the Investment Manager's methods of allocating portfolio transaction business among brokers and dealers could involve conflicts. The Investment Manager or its affiliates may form or act as investment advisor or general partner to other investment funds, clients or entities with investment objectives substantially identical to those of a Segregated Portfolio. Further, the Investment Manager, its affiliates or persons associated with them may co-invest with a Segregated Portfolio.

The Investment Manager, its affiliates, the Directors and other service providers may be involved with other entities utilising investment strategies similar to that of a Segregated Portfolio and with other businesses in general. The Investment Manager may cause a Segregated Portfolio to invest in Securities or Derivatives in which the Investment Manager or its affiliates have a financial interest, or to engage in transactions with brokers or others with whom they have other financial or business relationships. The Investment Manager and its affiliates may deal for its or their own account and handle discretionary accounts for and render investment advice to other investors regarding investments that may be the same as, similar to or different from those made for a Segregated Portfolio. The Investment Manager or its affiliates may invest for its or their own account and/or other managed accounts and accordingly may hold positions in or related to transactions in which the assets of any Segregated Portfolio may or may not be invested.

If the Investment Manager determines that it would be appropriate for one or more Segregated Portfolios and one or more other managed accounts to participate in the same investment opportunity, the Investment Manager will seek to execute orders on an equitable basis. In such situations, the Investment Manager will usually seek to place orders for each such account simultaneously and, if all such orders cannot be filled at the same price, the Investment Manager may cause each Segregated Portfolio and each other managed account to pay or receive the average of the prices at which such orders are filled. If all such orders cannot be fully executed under prevailing market conditions, the Investment Manager may allocate the investments among the Segregated Portfolio(s) and other managed accounts in the manner which the Investment Manager considers equitable. In addition, the Investment Manager and its associates, may receive directly or indirectly through the Fund, and are entitled to retain, from brokers and other persons through whom the Fund's investment transactions are carried out, cash, goods and services, and other soft dollar benefits that are of demonstrable benefit to the Fund and its Segregated Portfolio(s). These goods and services include, but are not limited to, research and advisory services, portfolio analysis, valuation and performance measurement, and market analysis and quotation services.

DIRECTORS

The Investment Manager holds the Management Shares, and as such has the power to remove Directors and appoint additional Directors with or without cause.

In addition, the Directors may serve as directors and officers to other affiliates including of the Investment Manager(s) appointed in respect of each Segregated Portfolio, and may from time to time hold shares and other securities issued by the Investment Manager or its affiliates. Because of these relationships, the decisions the Investment Manager and the Directors make with respect to the Fund might be viewed as influenced by the Investment Manager's self-interest. For example, it would be unlikely that the Directors would sever the Fund's relationship with the Investment Manager unless the Directors concluded that the Fund would be better served by the removal of its Investment Manager. It should however be noted that the Directors have fiduciary responsibilities to the Fund and are obligated to act in the Fund's best interests rather than their own in taking or refraining from actions that affect the Fund and notwithstanding this potential conflict of interest the Directors intend to carry out their responsibilities to the Fund in good faith and in the best interests of the Fund.

CUSTODIAN

Subject as provided in the relevant Portfolio Supplement, the Custodian of a Segregated Portfolio may also act as broker or investment advisor to such Segregated Portfolio and the decisions it may make in relation to that Segregated Portfolio's assets may be viewed as influenced by its self-interest.

TAXATION AND CAYMAN ISLANDS REGULATION

The tax discussion set forth below is a summary included for general information purposes only and does not address every potential tax consequence that might be relevant to the Fund, each Segregated Portfolio and each particular Shareholder. Although it is based on current law and practice, potential investors should appreciate that, as a result of changing law or practice or unfulfilled expectations as to how the Fund or the Shareholders will be regarded by tax authorities in different jurisdictions, the tax consequences may be otherwise than as stated below. Potential investors should consult their professional advisors on the possible tax consequences of their subscribing for, purchasing, holding, selling or requesting that the Fund repurchase Shares under the laws of their countries of citizenship, residence, ordinary residence or domicile.

Potential investors should also carefully review any tax summary set out in the relevant Portfolio Supplement relating to the particular investment objective and policy of a Segregated Portfolio.

There can be no assurance that the tax position or proposed tax position prevailing at the time an investment in the Shares is made will endure indefinitely.

CAYMAN ISLANDS

There are no income, corporation, capital gains or other taxes in effect in the Cayman Islands on the basis of present legislation. The Fund has made an application to the Governor-in-Council of the Cayman Islands for, and received, an undertaking as to tax concessions pursuant to Section 6 of the Tax Concessions Law (Revised) of the Cayman Islands which provides that, for a period of 20 years from the date of issue of such undertaking, no law thereafter enacted in the Cayman Islands imposing any taxes to be levied on profits, income, gains or appreciation will apply to the Fund or its operations. No capital or stamp duties are levied in the Cayman Islands on the issue, transfer or redemption of Shares of the Fund. An annual registration fee will be payable by the Fund to each of CIMA and the Cayman Islands government, the latter being calculated in part by reference to the nominal amount of its authorised share capital and in part by reference to the number of Segregated Portfolios.

OTHER COUNTRIES

It is intended that the affairs of the Fund will be conducted such that the Fund will not be subject to regular income taxation in any jurisdiction.

Income and gains from investments held by the Fund may be subject to withholding taxes or other taxes in jurisdictions other than those described herein, subject to the possibility of reduction under applicable tax treaties. The Fund does not assume responsibility for the withholding of any tax at source.

It is the responsibility of all persons interested in purchasing Shares to inform themselves as to any income or other tax consequences arising in the jurisdictions in which they are resident or domiciled for tax purposes, as well as any foreign exchange or other fiscal or legal restrictions, which are relevant to their particular circumstances in connection with the acquisition, holding or disposition of Shares.

CAYMAN ISLANDS REGULATION

The Fund is registered as a mutual fund under section 4(3) of the MF Law and is therefore regulated under that law. In connection with its initial registration under the MF Law, the Fund has filed with CIMA a copy of the Offering Documents and certain details of the Offering Documents, as required by the MF Law. The Fund has also paid the prescribed initial registration fee.

The Fund's continuing obligations under the MF Law are (i) to file with CIMA prescribed details of any changes to the Offering Documents, (ii) to file annually with CIMA accounts audited by an approved auditor and an annual return containing certain key statistical data, and (iii) to pay the prescribed annual fee.

As a regulated mutual fund, the Fund is subject to the supervision of CIMA. At any time, CIMA may instruct the Fund to have its accounts audited and to submit them to CIMA within a specified time. Failure to comply with any supervisory request by CIMA may result in substantial fines. CIMA has wide powers to take certain actions if certain events occur. For instance, it has wide powers to take action if it is satisfied that a regulated mutual fund (i) is or is likely to become unable to meet its obligations as they fall due, or (ii) is carrying on or is attempting to carry on business or is winding up its business voluntarily in a manner that is prejudicial to its investors or creditors.

The powers of CIMA include (i) the power to require a Director to be replaced, (ii) the power to appoint a person, at the expense of the Fund to advise the Fund on the proper conduct of its affairs, and (iii) the power to appoint a person, at the expense of the Fund to assume control of the affairs of the Fund, including for the purpose of terminating the business of the Fund. CIMA also has other remedies available to it including applying to the courts of the Cayman Islands for approval of other actions, and requiring the Fund to re-organise its affairs in a manner specified by CIMA.

GENERAL INFORMATION

THE FUND

The Fund constitutes a “mutual fund” as defined in the MF Law and as such will be registered with CIMA under the provisions of Section 4(3) of the MF Law. Such registration does not involve an examination of the merits of an investment in the Fund and does not entail supervision of the investment performance or portfolio of the Fund or any of its Segregated Portfolios by CIMA, which accepts no responsibility for the financial soundness of the Fund or any Segregated Portfolio or for the correctness of any statements or opinions expressed herein or therein. There is no financial obligation or compensation scheme imposed on the Fund or any of its Segregated Portfolios or administered by CIMA in favour of or which is available to the investors in the Fund. For a summary of the continuing regulatory obligations of the Fund and a description of the regulatory powers of CIMA, see the section entitled ***Taxation and Cayman Islands Regulation*** of this Memorandum.

Where appropriate, references in this Memorandum to the investment activities of the “Fund” shall mean the investment activities of the Fund on behalf of and for the account of the relevant Segregated Portfolios and general references to the Fund may include the Fund on behalf of and for the account of the relevant Segregated Portfolios.

The Directors of the Fund may create Segregated Portfolios and Classes and Series of Shares within Segregated Portfolios as they may in their sole and absolute discretion determine.

SEGREGATION

In a segregated portfolio company, principles relating to the payment of dividends or other distributions, and the payment of the redemption price of shares, are applied to each segregated portfolio in isolation. Payments in respect of dividends, distributions and redemptions of Shares may only be paid out of the assets of the Segregated Portfolio in respect of which the relevant Shares were issued. Segregated Portfolio Assets are only available to meet liabilities of creditors of the Fund who are creditors in respect of the relevant Segregated Portfolio, and are protected from, and are not available to, creditors of the Fund who are not creditors in respect of that Segregated Portfolio.

SHARE CAPITAL OF THE FUND

The Fund has an authorised share capital of US\$50,000 divided into 4,999, 900 Participating Shares of par value US\$0.01 each and 100 Management Shares of par value US\$0.01 each.

The Articles provide that unissued shares of the Fund are at the disposal of the Directors who may offer, allot, grant options over or otherwise dispose of them to such persons, at such times and for such consideration and upon such terms and conditions as the Directors may determine. All shares of the Fund will be issued in registered form only.

Prospective investors should note that there are no provisions under the laws of the Cayman Islands or under the Articles conferring pre-emption rights on the holders of Shares.

No capital of the Fund is under option or agreed conditionally or unconditionally to be put under option.

CHANGE IN SHARE CAPITAL

The Fund may, in accordance with its Articles and the Companies Law, increase or reduce its authorised share capital, divide all or any of its share capital into shares of smaller amount or combine all or any of its share capital into shares of larger amount.

VARIATION OF SHARE RIGHTS

For so long as the authorised share capital of the Fund is divided into different Classes of Shares, the rights attached to any Class may only be materially adversely varied or abrogated by consent in writing of holders of not less than two-thirds of the issued Shares of that Class or with the sanction of a resolution passed by a two-thirds majority of the votes cast at a Class meeting of the holders of the Shares of that Class. All provisions of the Articles as to general meetings of the Fund apply to every such Class meeting, except that the necessary quorum at any such Class meeting is one or more persons at least holding or representing by proxy at least one third of the Shares of the relevant Class then in issue except that at an adjourned Class meeting of the Shareholders of the relevant Class, those Shareholders who are present in person or by proxy shall constitute a quorum.

The rights of the holders of the Shares will not be deemed to be materially adversely varied or abrogated to the extent the Directors decide to create and issue any new Segregated Portfolio or any new Class of Shares with different terms to those of the Shares in issue, or by the terms of any side letters entered into between individual Shareholders and the Fund relating to the rebating of Performance Fees or Management Fees, or by the waiver or shortening of any notice periods in relation to Shares, including, without limitation, in relation to redemptions or subscriptions, or by the exercise of Directors' discretions in relation to Shares, or by the redemption or repurchase of any Shares or by the termination of any Segregated Portfolio, or by the passing of a Directors resolution to change or vary the investment objective, investment technique and strategy and/or investment policy of any Segregated Portfolio, or by any modification of the fees payable to any service provider to the Fund.

DIRECTORS' INTERESTS

The interests of the Directors and their interests in companies associated with the management, administration, promotion and marketing of the Fund and the Shares are set out below:

- (a) the Directors are or may be appointed directors of the Investment Manager and serve as directors and officers of affiliates of the Investment Manager and may from time to time hold Shares or other securities issued by the Investment Manager or its affiliates;
- (b) there are no existing or proposed service agreements between the Fund and any of the Directors;
- (c) no shareholding qualification for Directors is required under Cayman Islands law. The Directors or companies of which they are officers or employees may, however, subscribe for Shares or Management Shares; and
- (d) save as disclosed herein, no Director has any interest, direct or indirect, in the promotion of or in any assets which are proposed to be acquired by, disposed of by or leased to the Fund and no Director has a material interest in any contract or arrangement entered into by the Fund which is unusual in nature or conditions or significant in relation to the business of the Fund, nor has any Director had such an interest since the Fund was incorporated.

DIRECTORS' REMUNERATION

The Articles provide that the remuneration of the Directors in respect of services rendered or to be rendered to the Fund shall be determined by the Directors or in general meeting of the Fund from time to time. The Directors may also be paid all traveling, hotel and other expenses properly incurred by them in attending and returning from meetings of the Directors or any committee of the Directors or general meetings of the Fund or in connection with the business of the Fund.

TRANSACTIONS WITH DIRECTORS

No person shall be disqualified from the office of Director or alternate Director or prevented by such office from contracting with the Fund, either as vendor, purchaser or otherwise, nor shall any such contract or any other contract or transaction entered into by or on behalf of the Fund in which any Director or alternate Director shall be in any way interested be or be liable to be avoided, nor shall any Director or alternate Director so contracting or being so interested be liable to account to the Fund for any profit realised by any such contract or transaction by reason of such Director holding office or of the fiduciary relation thereby established. A Director (or his alternate Director in his absence) shall be at liberty to vote in respect of any contract or transaction in which he is interested provided that the nature of the interest of any Director or alternate Director in any such contract or transaction shall be disclosed by him at or prior to its consideration and any vote thereon.

A general notice that a Director or alternate Director is a shareholder, director, officer or employee of any specified firm or company and is to be regarded as interested in any transaction with such firm or company shall be sufficient disclosure for the purposes of voting on a resolution in respect of a contract or transaction in which he has an interest, and after such general notice it shall not be necessary to give special notice relating to any particular transaction.

RETIREMENT OF DIRECTORS

There is no provision for the retirement of Directors on their attaining a certain age and the Articles do not provide for retirement of Directors by rotation.

BORROWING

The Directors are authorised under the Articles to exercise all powers of the Fund to borrow money. The Fund utilises borrowings as part of, and consistent with, its investment policy.

MEETINGS

The Directors may convene meetings of the Fund at such time and in such manner and place as the Directors consider necessary or desirable, and they shall convene such a meeting upon the written request of shareholders of the Fund holding 10 per cent or more of the issued voting shares. At least 14 clear days' notice specifying the place, day and time of the meeting and the general nature of the business to be transacted shall be given. No business shall be transacted at any meeting of shareholders unless a quorum is present. A quorum shall (if the Fund has more than one shareholder) consist of at least 2 shareholders present in person or by proxy. If within 30 minutes from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the request of the shareholders, shall be dissolved; in any other case it shall stand adjourned to the same date in the next week. If at such adjourned meeting a quorum of 2 shareholders of the Fund present in person or by proxy is not present within 30 minutes from the time appointed for the meeting, the shareholders of the Fund present shall

be a quorum. The same provisions shall apply in relation to the meetings of separate classes and series of shares in the Fund.

Only Management Shares carry voting rights as specified under the heading ***Share Capital of the Fund*** above. The vote of the person first named in the Register of Shareholders shall be accepted as the vote of joint shareholders, to the exclusion of the votes of the other joint holders. Votes may be cast in person or by proxy.

WINDING-DOWN BY MANAGEMENT

The Directors may determine that, due to changes in market conditions or other circumstances, it is in the best interest of the Fund that: (i) the Fund commences the orderly winding-down of the investment operations of any one or more Segregated Portfolios over such period of time as they may determine with a view to realising the assets and returning surplus funds to shareholders; and (ii) such winding-down be carried out by the Directors and/or the Investment Manager and/or any other third party investment advisor who has familiarity with the relevant investment portfolio or parts thereof rather than by official liquidators acting in accordance with the provisions of the Companies Law and the relevant rules. If the Directors determine to impose a wind-down plan, they may take, or cause to be taken, such steps as they deem necessary or appropriate in their sole discretion. These steps may include, but shall not be limited to:

- (a) declaring a suspension, which may be permanent, of the right of Shareholders to require redemption of their Shares;
- (b) suspending the payment of any amount due to Shareholders in connection with the redemption of Shares;
- (c) instructing the Investment Manager (either on its then current terms as to remuneration or on such revised terms as the Directors in their discretion deem appropriate), or other third party investment advisor responsible for implementing the wind-down plan, to sell or otherwise dispose of the assets of a Segregated Portfolio, and in connection therewith, determine the timing, manner and terms of any such sale or other disposition, having due regard for the applicable liquidity requirements, the activity and condition of the relevant market and general financial and economic conditions;
- (d) compulsorily redeeming Shares;
- (e) settling and closing the business affairs of the relevant Segregated Portfolio(s); and
- (f) if and when deemed appropriate, recommending the formal winding-up and dissolution of the and/or the Fund to the shareholders (who may then approve the termination and dissolution of the relevant Segregated Portfolio(s); and the Segregated Portfolio(s) voluntary winding-up and dissolution of the Fund by a special resolution of the holders of the Management Shares).

DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the Articles, the Offering Documents and the latest financial reports of the Fund may be obtained, free of charge, upon request from the Administrator.

GENERAL

The Fund has not since its incorporation been, and is not currently engaged in, any legal or arbitration proceedings and as at the date of this Memorandum no legal or arbitration proceedings are known to the Directors to be pending or threatened by or against the Fund.

The Fund does not have, nor has it had since incorporation, any employees.

Save as disclosed above, no commissions, discounts, brokerages or other special terms have been granted or are payable by the Fund in connection with the issue or sale of any capital of the Fund.

The Directors are not required to hold any shares in the Fund. There is no age limit at which the Directors are required to retire.

At the date of this Memorandum, the Fund has no loan capital (including term loans) outstanding or created but unissued and no outstanding charges or other borrowings or indebtedness in the nature of borrowings including bank overdrafts and liabilities under acceptance credits, hire purchase or finance lease commitments, guarantees or other contingent liabilities.

The Directors may from time to time, in the interest of the Shareholders, amend the Offering Documents and where such amendments do not materially adversely affect the Shareholders' rights or investment in the Fund, may make such amendments without the consent of the Shareholders.

LEGAL COUNSEL

Harney Westwood & Riegels LLP (**Harneys**) acts as Cayman Islands legal counsel to the Fund. In connection with the Fund's offering of Shares and subsequent advice to the Fund, Harneys will not be representing Shareholders. No independent legal counsel has been retained to represent the Shareholders. Harneys' representation of the Fund is limited to specific matters as to which it has been consulted by the Fund. There may exist other matters that could have a bearing on the Fund as to which Harneys has not been consulted. In addition, Harneys does not undertake to monitor compliance by the Investment Manager and its affiliates with the investment programme, valuation procedures and other guidelines set forth herein, nor does Harneys monitor on-going compliance with applicable laws or the compliance by other service providers of the Fund to the terms of their agreements with the Fund. In connection with the preparation of this Memorandum and any Portfolio Supplement, Harneys' responsibility is limited to matters of Cayman Islands law and it does not accept responsibility in relation to any other matters referred to or disclosed in this Memorandum or any Portfolio Supplement. In the course of advising the Fund, there are times when the interests of Shareholders may differ from those of the Fund. Harneys does not represent the Shareholders' interests in resolving these issues. In reviewing this Memorandum and any Portfolio Supplement, Harneys has relied upon information furnished to it by the Fund and has not investigated or verified the accuracy and completeness of information set forth herein or therein concerning the Fund and any Segregated Portfolio.

CAYMAN ISLANDS LAW – REQUESTS FOR INFORMATION

The Fund or any of its or their Directors or agents domiciled in the Cayman Islands, may be compelled to provide information, subject to a request for information made by a regulatory or governmental authority or agency under applicable law; e.g. by the Cayman Islands Monetary Authority, either for itself or for a recognised overseas regulatory authority, under the Monetary Authority Law (Revised), or by the Tax Information Authority, under the Tax Information Authority Law (Revised) or Reporting of Savings

Income information (European Union) Law (Revision) and associated regulations, agreements, arrangements and memoranda of understanding. Disclosure of confidential information under such laws shall not be regarded as a breach of any duty of confidentiality and, in certain circumstances, the Fund or any of its Directors or agents, may be prohibited from disclosing that the request has been made.

OFFERING RESTRICTIONS

These offering restrictions are for indicative purposes only. The Offering Documents do not constitute an offer or solicitation to any person in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it would be unlawful to make such offer or solicitation.

NOTICE TO RESIDENTS OF THE CAYMAN ISLANDS

No invitation may be made to the public in the Cayman Islands to subscribe for Shares unless the Fund is listed on the Cayman Islands Stock Exchange. Cayman Islands exempted and ordinary non-resident companies and certain other persons engaged in offshore business, are permitted to acquire Shares.

NOTICE TO RESIDENTS OF THE UNITED STATES OF AMERICA

The Shares have not been registered under the United States Securities Act of 1933, as amended, and will not be filed with or approved or disapproved by any regulatory authority of the United States or any state thereof, nor has any such regulatory authority passed upon or endorsed the merits of this offering or the accuracy or adequacy of the Offering Documents. Any representation to the contrary is unlawful. There will be no private or public offering of the Shares in the United States and Shares may not be held directly or indirectly for the benefit of any US Person (as defined herein).

NOTICE TO RESIDENTS OF THE EUROPEAN ECONOMIC AREA GENERALLY

Save as otherwise permitted under any applicable transitional period and without prejudice to any additional requirements as set out below, to the extent that a Member State has implemented the AIFM Directive, the Offering Documents may only be distributed and Shares may only be offered or placed in such Member State to the extent that: (i) the Fund is permitted to be marketed to professional investors in such Member State in accordance with the AIFM Directive (as implemented into the local law/regulation); or otherwise (ii) the Offering Documents may be lawfully distributed and the Shares may lawfully be offered or placed in that Member State (including at the initiative of the investor). Additional restrictions may apply to the distribution of the Offering Documents in certain Member States as provided for below.

NOTICE TO RESIDENTS OF SWITZERLAND

Under the Collective Investment Schemes Act dated 23 June 2006 and revised on 28 September 2012 (the **CISA**), the offering, sale and distribution to non-qualified investors of units in foreign collective investment schemes in or from Switzerland are subject to authorisation by the Swiss Financial Market Supervisory Authority (**FINMA**) and, in addition, the distribution to certain qualified investors of interests in such collective investment schemes may be subject to the appointment of a representative and a paying agent in Switzerland. The concept of “foreign collective investment scheme” covers, inter alia, foreign companies and similar schemes (including those created on the basis of a collective investment contract or a contract of another type with similar effect) created for the purpose of collective investment, whether such companies or schemes are closed-end or open-end. There are reasonable grounds to believe that the Fund would be characterised as a foreign collective investment scheme under Swiss law. As the Shares have not been and cannot be registered with or authorised by FINMA for distribution to non-qualified investors, any offering of the Shares, and any other form of solicitation of

investors in relation to the Fund (including by way of circulation of offering materials or information, including the Offering Documents), must be restricted to investors considered as qualified investors within the meaning of the CISA and its implementing regulations. Failure to comply with the above-mentioned requirements may constitute a breach of the CISA.

NOTICE TO RESIDENTS OF THE UNITED KINGDOM

The Fund is a collective investment scheme as defined in the Financial Services and Markets Act 2000 (**FSMA**) of the United Kingdom. It has not been authorised, or otherwise recognised or approved by the United Kingdom Financial Conduct Authority (**FCA**) and, as an unregulated collective investment scheme, accordingly cannot be marketed in the United Kingdom to the general public. The issue or distribution of the Offering Documents in the United Kingdom: (a) if made by a person who is not an authorised person under the FSMA, is being made only to, or directed only at, persons who (i) have professional experience in matters relating to investments; or (ii) are high net worth companies and certain other entities falling within Article 49 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the **FP Order**) and who meet the requirements thereunder; or (iii) are certified high net worth individuals (**CHNWIS**) pursuant to Article 48 of the FP Order and who meet the requirements thereunder; or (iv) are certified sophisticated investors (**CSIS**) pursuant to Article 50 of the FP Order; or (v) are self-certified sophisticated investors (**SCSIS**) pursuant to Article 50A of the FP order and who meet the requirements thereunder (all such persons together being referred to as **FP Order Persons**); and (b) if made by a person who is an authorised person under the FSMA, is being made only to, or directed only at, persons who (i) have professional experience in participating in unregulated collective investment schemes; or (ii) are high net worth companies and certain other entities falling within Article 22 of the Financial Services and Markets Act 2000 (Promotion of Collective Investment Schemes) (Exemptions) Order 2001 (the **PFSUE Order**) and who meet the requirements thereunder; or (iii) are CHNWIS pursuant to Article 21 of the PFSUE Order and who meet the requirements thereunder; or (iv) are CSIS pursuant to Article 23 of the PFSUE Order; or (v) are SCSIS pursuant to Article 23A of the PFSUE order and who meet the requirements thereunder (the persons in (i) to (v) together, the **PFSUE Order Persons**); or (vi) are persons to whom it may lawfully be distributed under Section 3.11 of the FCA's Conduct of Business Sourcebook (the **COB Persons** and, together with the FP Order persons and the PFSUE Order Persons, the **Relevant Persons**).

The Offering Documents must not be acted on or relied on by persons who are not Relevant Persons. Any investment or investment activity to which the Offering Documents relates, including the Shares, is available only to Relevant Persons and will be engaged in only with Relevant Persons. Prior to accepting an application from any applicant who claims to fall within any of the above categories, verifiable evidence of the applicant's status may be required (including in the case of CHNWIS, CSIS and SCSIS, a copy of the relevant certificates and statements in accordance with the FP Order or the PFSUE Order, as the case may be). Potential investors in the United Kingdom are advised that all, or most, of the protections afforded by the United Kingdom regulatory system will not apply to an investment in the Fund and that compensation will not be available under the United Kingdom Financial Services Compensation Scheme.

DEFINITIONS

In this Memorandum and in each Portfolio Supplement, unless the context otherwise requires, defined terms shall have the meaning ascribed to them herein and where no such meaning is so ascribed, as follows:

<i>Administration Agreement</i>	the administration agreement made between the Administrator and the Fund acting on behalf of and for the account of each relevant Segregated Portfolio, as amended from time to time;
<i>Administrator</i>	Apex Fund Services (Malta) Limited. (unless otherwise specified for a particular Segregated Portfolio) or any other entity appointed from time to time by the Fund on behalf of and for the account of each relevant Segregated Portfolio to provide administration, registrar and transfer agent services;
<i>Articles</i>	the Memorandum and Articles of Association of the Fund, as the context requires and as the same may be amended or supplemented from time to time;
<i>Auditor</i>	KPMG or such other entity that may be appointed as the auditor of the Fund from time to time;
<i>Base Currency</i>	the currency in which the Shares of a particular Segregated Portfolio, or of a particular Class, are denominated as determined by the Directors on the establishment of that Segregated Portfolio or the creation of that Class;
<i>Business Day</i>	any day on which commercial banks settle payments and are open for general business in the Canton of Zurich, Switzerland and/or such other day as the Investment Manager may from time to time determine;
<i>CIMA</i>	the Cayman Islands Monetary Authority;
<i>Class</i>	any class of Shares or Side Pocket Shares of a particular Segregated Portfolio of the Fund, as the context requires;
<i>Companies Law</i>	the Companies Law (Revised) of the Cayman Islands, as amended from time to time;
<i>Custodian</i>	any custodian and/or prime broker of the Fund as set out in each Portfolio Supplement;
<i>Custodian Agreement</i>	a custodian agreement and/or prime brokerage agreement(s) pursuant to which the Fund has appointed a Custodian to act as custodian of the assets of a particular Segregated Portfolio and to undertake such other actions as may be provided for in such agreement(s);

<i>Derivatives</i>	any instrument the return in respect of which is linked to the performance of any commodity, currency or other exchange rate, interest rate, index or Security value, not being a betting contract;
<i>Directors</i>	the directors of the Fund from time to time, and <i>Director</i> shall be construed accordingly;
<i>Distribution Fees</i>	any fees payable to the Investment Manager, any affiliate of the Investment Manager or any third party service provider in connection with the distribution of Shares of any Segregated Portfolio as detailed in the relevant Portfolio Supplement;
<i>Euro or €</i>	the official currency unit, divided into 100 cents, of the member countries of the European Union who have adopted European Monetary Union;
<i>Financial Year</i>	each calendar year ending 30 June with the first Financial Year of the Fund ending on 30 June 2016;
<i>Fund</i>	Axioma SPC and shall where the context requires, refer to Axioma SPC acting on behalf of and for the account of its relevant Segregated Portfolio(s);
<i>Gating Percentage</i>	if applicable, has the meaning given to it in the applicable Portfolio Supplement;
<i>General Assets</i>	the assets of the Fund, as the context requires, which are not within or attributable to any Segregated Portfolio;
<i>General Liabilities</i>	the liabilities of the Fund, as the context requires, which are not within or attributable to any Segregated Portfolio;
<i>IFRS</i>	the International Financial Reporting Standards issued by the International Accounting Standards Board;
<i>Initial Offer Day</i>	any day or period (as the case may be) relating to an initial offer of Shares of a Class at the Initial Offer Price as set out in the relevant Portfolio Supplement;
<i>Initial Offer Price</i>	the price per Share of the relevant Class on or during the relevant Initial Offer Day (as the case may be) as set out in the relevant Portfolio Supplement;
<i>Initial Series</i>	the Series of a Class of Shares of a Segregated Portfolio issued on or during the Initial Offer Day (as the case may be) for that Class of Shares as the same may be consolidated with subsequent Series of Shares of the same Class;

<i>Introduction Fee</i>	any fee payable by an investor or by the Fund itself out of the Segregated Portfolio Assets of the relevant Segregated Portfolio to any agent (which may include an affiliate of the Investment Manager) in respect of the introduction of an investor to the Fund;
<i>Investment Management Agreement</i>	the investment management agreement between the Fund acting on behalf and for the account of each relevant Segregated Portfolio and the Investment Manager, as amended from time to time;
<i>Investment Manager</i>	Axioma Wealth Manager AG (unless otherwise specified for a particular Segregated Portfolio) or any other entity appointed from time to time to serve as investment manager in respect of each relevant Segregated Portfolio of the Fund;
<i>Investments</i>	the cash, Securities, Derivatives and other assets whatsoever comprising the assets attributable to each Segregated Portfolio from time to time;
<i>Managed Account</i>	any arrangement whereby an Underlying Manager manages Investments without commingling with investments of other investors whether effected through an account held in the name of the Fund or through any intermediate investment vehicle;
<i>Management Fees</i>	any fee or charge payable by or on behalf of the Fund to the Investment Manager on behalf of and for the account of Shares attributable to each Segregated Portfolio by reference to the Net Asset Value of any Class calculated and payable as set out in each Portfolio Supplement;
<i>Management Shares</i>	the voting non-participating shares in the Fund having the rights set out in the Articles and attributed to the General Assets of the Fund;
<i>Memorandum</i>	this Confidential Private Placement Memorandum;
<i>MF Law</i>	the Mutual Funds Law (Revised) of the Cayman Islands;
<i>Net Asset Value</i>	with respect to the Fund: <ul style="list-style-type: none"> (a) the net asset value of a Segregated Portfolio calculated in accordance with the Articles; (b) the net asset value of a Class calculated in accordance with the Articles; (c) the net asset value of a Series calculated in accordance with the Articles, (d) as the context requires;
<i>Net Asset Value per Share</i>	the Net Asset Value per Share of a Segregated Portfolio determined in accordance with the Articles and the relevant Portfolio Supplement;

<i>Offering Documents</i>	in relation to the Shares to be issued by the Fund on behalf of and for the account of a particular Segregated Portfolio, this Memorandum and the applicable Portfolio Supplement;
<i>Officer</i>	any person appointed by the Directors to hold an office in the Fund;
<i>Performance Fees</i>	any fee or charge payable by or on behalf of the Fund to the Investment Manager on behalf of and for the account of Shares attributable to each Segregated Portfolio by reference to the increase in the Net Asset Value Per Share of any Class or Series of Shares calculated and payable as set out in each Portfolio Supplement;
<i>Person</i>	any natural person, corporation, partnership, trust, voluntary association, limited liability company, joint venture, unincorporated organisation, government (or any agency, instrumentality or political subdivision thereof) or other association or entity;
<i>Portfolio Supplement</i>	any supplement to this Memorandum setting out details of a Segregated Portfolio;
<i>Redemption Day</i>	in respect of Shares of any Segregated Portfolio has the meaning given to it in the relevant Portfolio Supplement;
<i>Redemption Fee</i>	the fee, if any, payable by a Shareholder and determined by the Investment Manager upon the redemption of Shares as set out in the applicable Portfolio Supplement;
<i>Redemption Notice</i>	a request for the redemption of Shares in writing (in such form as prescribed by the Director) from a Member given to the Fund or the Administrator specifying the number, Class and if applicable, Series of Shares registered in the Members name to be redeemed;
<i>Redemption Notice Period</i>	shall have the meaning given to it in the relevant Portfolio Supplement;
<i>Redemption Price</i>	the price at which Shares will normally be redeemed by the Fund calculated in accordance with the Articles and described herein;
<i>Register of Shareholders</i>	the Register of Members of the Fund maintained in accordance with the Companies Law;
<i>Regulated Market</i>	any stock exchange or regulated market considered by the Fund to provide a satisfactory market, quotation or pricing for the Investments in question;
<i>Securities</i>	instruments which constitute an equity interest in, or a contract or debt right against, the issuer thereof;
<i>Segregated Portfolio</i>	a segregated portfolio of the Fund;
<i>Segregated Assets</i>	<i>Portfolio</i> the Investments comprised within a Segregated Portfolio from time to time;

**Segregated
Liabilities**

Portfolio

those fees, costs, expenses, losses and liabilities which the Directors attribute to a particular Segregated Portfolio, including inter alia:

- (a) all fees, costs, expenses and claims of the Segregated Portfolio's Portfolio service providers in respect of their services for the benefit of such Segregated Portfolio;
- (b) all fees, costs and expenses related to the Segregated Portfolio's Investments or prospective Investments (whether or not consummated), including, without limitation, brokerage commissions, transaction charges, any withholding or transfer taxes, interest costs and all expenses incurred in connection with locating, evaluating and executing potential Investments, including travel and other research related expenses;
- (c) all out-of-pocket costs and expenses of the Segregated Portfolio's administration and operation including fees, expenses and indemnity payments due to Directors and Officers incurred on behalf of and for the account of such Segregated Portfolio, costs of any litigation or investigation and the costs and expense of compiling and providing information for existing and prospective investors in the Segregated Portfolio;
- (d) all fees, costs and expenses arising in respect of the establishment and marketing of the Segregated Portfolio (including expenses of the initial offer and sale of Shares);
- (e) all financial indebtedness incurred by the Fund on behalf of and for the account of the Segregated Portfolio and any fees, costs, expenses and claims of trade or other creditors of that Segregated Portfolio who have contracted with the Fund acting on behalf of and for the account of such Segregated Portfolio;
- (f) any taxes, duties and charges attributable in the sole discretion of the Directors to the operation of such Segregated Portfolio; and
- (g) the Segregated Portfolio's *pro rata* share (calculated by reference to the respective Net Asset Values of the Segregated Portfolios as of the last Valuation Day prior to the Fund's payment of any such amounts) of the costs and expenses payable by the Fund which are in the sole discretion of the Directors fairly attributable to all of the Segregated Portfolios, including, without limitation, Fund establishment costs and expenses, marketing costs and expenses, the general remuneration and reimbursement of Directors and Officers of the Fund, government and regulatory fees, government taxes and charges which are not attributable to a particular Segregated Portfolio, futures or other exchange memberships, legal and regulatory fees, costs and expenses, costs of insurance (including Directors' and Officers' insurance), and the fees, costs and expenses of any litigation or investigation involving the

marketing, offering, and administrative activities of the Fund on behalf of and for the account of all the Segregated Portfolios;

<i>Series</i>	a series of a Class of Shares of a Segregated Portfolio of the Fund and as issued on a particular Subscription Day;
<i>Series Account</i>	a sub-account of the Class Account for a Class of Shares of a Segregated Portfolio in respect of each Series as more particularly described herein;
<i>Shareholder</i>	a holder of one or more Shares or Side Pocket Shares;
<i>Shares or Participating Shares</i>	the non-voting, participating, redeemable shares of US\$0.01 attributable to each Segregated Portfolio of the Fund with the rights and restrictions attaching to them as set out in the Articles, this Memorandum and the applicable Portfolio Supplement;
<i>Side Pocket Percentage</i>	has the meaning given to it in the applicable Portfolio Supplement;
<i>Side Pocket Shares</i>	the non-voting, participating, non-redeemable shares of US\$0.01 attributable to a Segregated Portfolio and designated as Side Pocket Shares;
<i>Subscription Agreement</i>	the subscription agreement for Shares in a Segregated Portfolio entered into between each subscribing Shareholder and the Fund acting on behalf of and for the account of such Segregated Portfolio;
<i>Subscription Day</i>	in respect of Shares of any Segregated Portfolio has the meaning given to it in the relevant Portfolio Supplement;
<i>Subscription Fee</i>	the fee, if any, payable by a Shareholder and determined by the Investment Manager upon subscription of Shares as set out in the Portfolio Supplement relating to a particular Segregated Portfolio;
<i>Subscription Price</i>	the price at which Shares of each Class are offered for subscription on a Subscription Day as set out in the applicable Portfolio Supplement;
<i>Underlying Funds</i>	those collective investment vehicles and Managed Accounts operated by an Underlying Manager in which the Fund invests a Segregated Portfolio's assets from time to time;
<i>Underlying Manager</i>	the investment manager or investment advisor of an Underlying Fund;
<i>US or United States</i>	the United States of America;
<i>USD, US\$ or US Dollar</i>	the lawful currency of the United States;

<i>US Person</i>	a citizen or resident of the United States, a corporation, partnership or other entity created or organised in or under the laws of the United States or any person falling within the definition of the term <i>United States Person</i> under Regulation S promulgated under the United States Securities Act of 1933, as amended; and
<i>Valuation Day</i>	in respect of Shares of any Segregated Portfolio has the meaning given in the relevant Portfolio Supplement.