

NOTICE TO SWISS INVESTORS DATED APRIL 2022

ANTARCTICA ALPHA ACCESS PORTFOLIO

A company incorporated as a BVI segregated portfolio company under the BVI Business Companies Act, 2004 of the British Virgin Islands (the “BVI BC Act”) (The “Fund”), in respect of its

CKO FUND SEGREGATED PORTFOLIO

Swiss Representative, Swiss Paying Agent, Place of Performance and Jurisdiction

The distribution of shares in the Fund (“Shares”) in Switzerland will be exclusively made to, and directed at, qualified investors (the “Qualified Investors”), as defined in the Swiss Collective Investment Schemes Act of 23 June 2006, as amended (“CISA”) and its implementing ordinance. Accordingly, the Fund has not been and will not be registered with the Swiss Financial Market Supervisory Authority FINMA. The prospectus of the Fund (the “Prospectus”) and/or any other offering materials relating to the Shares may be made available in Switzerland solely to Qualified Investors.

The Fund’s representative in Switzerland is ARM Swiss Representatives SA, Route de Cité-Ouest 2, 1196 Gland (the “Swiss Representative”). The paying agent in Switzerland is Banque Cantonale de Genève, 17, quai de l’Ile, 1204 Geneva. The Offering Memorandum, the Memorandum and the Articles of Association and all other Fund’s marketing documents, including the annual report, if any, can be obtained by the investors free of charge from the Swiss Representative. The place of performance and jurisdiction is the registered office of the representative in Switzerland with regards to the Shares distributed in and from Switzerland. The Investment Manager may pay retrocessions in relation to the distribution of the Shares of the Fund in or from Switzerland to appointed distributors. Such retrocessions are not deemed to be rebates, although these retrocessions may be remitted to certain investors. Retrocessions paid to appointed distributors may range between 0% and 68% of the Investment Management Fee and will be borne exclusively by the Investment Manager. Pursuant to Swiss regulations, the appointed distributors must ensure transparent disclosure and inform investors about their remuneration and that of the sub-distributors appointed, if any. All such information must be provided to the investors that so request it free of charge. In addition, and on request of the investors, the appointed distributors must disclose the actual amounts they receive with respect to those particular investments. The Investment Manager does not pay any rebates aiming at reducing fees and expenses paid by the Fund and incurred by the investors.

The content of this promotion has not been approved by an authorised person within the meaning of the Financial Services and Markets Act 2000. Reliance on this promotion for the purpose of engaging in any investment activity may expose an individual to a significant risk of losing all of the property or other assets invested.

ANTARCTICA ALPHA ACCESS PORTFOLIO SPC LTD.

A British Virgin Islands Segregated Portfolio Company

Private Offering of Segregated Portfolio Participating Shares

CONFIDENTIAL INFORMATION MEMORANDUM

April 12, 2022

Investment Manager: Antarctica Asset Management, Ltd.
Administrator: Citco Fund Administration (Cayman Islands)
Limited

THE SEGREGATED PORTFOLIO SHARES ISSUED BY ANTARCTICA ALPHA ACCESS PORTFOLIO SPC LTD. ARE ONLY AVAILABLE TO NON-U.S. INVESTORS. NO PERSON HAS BEEN AUTHORIZED IN CONNECTION WITH THIS OFFERING TO GIVE ANY INFORMATION OR MAKE ANY REPRESENTATIONS OTHER THAN AS CONTAINED IN THIS CONFIDENTIAL INFORMATION MEMORANDUM (THE "MEMORANDUM") AND ITS SUPPLEMENTS. PLEASE DIRECT ANY INQUIRIES TO THE ADMINISTRATOR.

INVESTMENT WARNING TO INVESTORS AND POTENTIAL INVESTORS

THE FUND HAS BEEN ESTABLISHED AS A SEGREGATED PORTFOLIO COMPANY AND IS RECOGNISED AS A "PROFESSIONAL FUND" WITHIN THE MEANING OF THE SECURITIES AND INVESTMENT BUSINESS ACT, 2010 ("**SIBA**").

- (A) THE FUND IS ONLY SUITABLE FOR AND SEGREGATED PORTFOLIO SHARES MAY ONLY BE ISSUED TO "PROFESSIONAL INVESTORS", AS DEFINED UNDER SIBA;
- (B) A MINIMUM INITIAL INVESTMENT OF US\$100,000 (OR SUCH LARGER SUM AS MAY APPLY WITH RESPECT TO EACH SEGREGATED PORTFOLIO), IS REQUIRED BY EACH INVESTOR;
- (C) THE FUND IS NOT SUBJECT TO SUPERVISION BY THE FINANCIAL SERVICES COMMISSION (THE "**COMMISSION**") OR BY A REGULATOR OUTSIDE THE BRITISH VIRGIN ISLANDS AND THE REQUIREMENTS CONSIDERED NECESSARY FOR THE PROTECTION OF INVESTORS THAT APPLY TO "PUBLIC FUNDS", AS DEFINED UNDER SIBA, DO NOT APPLY TO PROFESSIONAL FUNDS;
- (D) AN INVESTOR IN A PROFESSIONAL FUND IS SOLELY RESPONSIBLE FOR DETERMINING WHETHER THE FUND IS SUITABLE FOR HIS INVESTMENT NEEDS; AND
- (E) BY REASON OF THE ABOVE, INVESTMENT IN A PROFESSIONAL FUND MAY PRESENT A GREATER RISK TO AN INVESTOR THAN INVESTMENT IN A PUBLIC FUND.

NO PERSON SHALL BE ACCEPTED AS AN INVESTOR IN THE FUND UNLESS THAT PERSON HAS PROVIDED A WRITTEN CONFIRMATION THAT HE IS A PROFESSIONAL INVESTOR WITHIN THE MEANING OF SIBA AND A WRITTEN ACKNOWLEDGEMENT THAT HE HAS RECEIVED, UNDERSTOOD AND ACCEPTED THIS INVESTMENT WARNING.

NEITHER THE BRITISH VIRGIN ISLANDS GOVERNMENT, THE COMMISSION NOR ANY OTHER AUTHORITY IN ANY COUNTRY HAS PASSED UPON OR ENDORSED THE MERITS OF THIS OFFERING OR THE ACCURACY OR ADEQUACY OF THIS MEMORANDUM, NOR IS IT INTENDED THAT ANY SUCH AUTHORITY WILL DO SO. SEGREGATED PORTFOLIO SHARES IN THE FUND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES LAWS OF ANY JURISDICTION AND HAVE NOT BEEN REGISTERED WITH, OR APPROVED BY, ANY REGULATORY AUTHORITY. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

NOTICES

NEITHER ANTARCTICA ALPHA ACCESS PORTFOLIO SPC LTD. (THE "FUND") NOR THE SEGREGATED PORTFOLIO SHARES OF THE FUND DESCRIBED IN THIS MEMORANDUM HAVE BEEN OR WILL BE REGISTERED OR QUALIFIED UNDER THE SECURITIES LAWS OF THE UNITED STATES ("U.S.") OR ANY OTHER JURISDICTION. THIS MEMORANDUM SHALL NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY SEGREGATED PORTFOLIO SHARES, NOR SHALL THERE BE ANY SALE OF SEGREGATED PORTFOLIO SHARES IN ANY JURISDICTION IN WHICH SUCH OFFER, SOLICITATION OR SALE IS NOT AUTHORIZED OR TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER, SOLICITATION OR SALE. THE DIRECT OR INDIRECT OWNERSHIP OF SEGREGATED PORTFOLIO SHARES BY "RESTRICTED PERSONS" AS DEFINED IN THIS MEMORANDUM, IS PROHIBITED EXCEPT IN ACCORDANCE HEREWITH. NO PERSON HAS BEEN AUTHORIZED TO MAKE ANY REPRESENTATIONS CONCERNING THE FUND OR THE SEGREGATED PORTFOLIO SHARES THAT ARE INCONSISTENT WITH THOSE CONTAINED IN THIS MEMORANDUM, AND, ACCORDINGLY, ANY SUCH REPRESENTATIONS SHOULD BE TREATED AS UNAUTHORIZED AND MAY NOT BE RELIED UPON BY THE PARTY TO WHOM SUCH REPRESENTATIONS ARE MADE.

PROSPECTIVE INVESTORS SHOULD NOT CONSTRUE THE CONTENTS OF THIS MEMORANDUM AS LEGAL, ERISA, TAX OR FINANCIAL ADVICE. ALL PROSPECTIVE INVESTORS SHOULD CONSULT THEIR OWN PROFESSIONAL ADVISORS AS TO THE LEGAL, ERISA, TAX, FINANCIAL OR OTHER MATTERS RELEVANT TO THE SUITABILITY OF AN INVESTMENT IN THE SEGREGATED PORTFOLIO SHARES FOR SUCH INVESTOR.

THE PURCHASE OF SEGREGATED PORTFOLIO SHARES IS SPECULATIVE AND INVOLVES A HIGH DEGREE OF RISK. THERE IS NO ASSURANCE THAT THE FUND WILL BE PROFITABLE OR THAT AN INVESTOR WILL NOT LOSE ITS ENTIRE INVESTMENT IN THE FUND. SEE THE SECTION ENTITLED "RISK FACTORS" WITHIN THIS MEMORANDUM FOR A DESCRIPTION OF CERTAIN RISKS INVOLVED IN THE PURCHASE OF SEGREGATED PORTFOLIO SHARES. THE SEGREGATED PORTFOLIO SHARES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER APPLICABLE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM, AND IN COMPLIANCE WITH THE TERMS OF THE ORGANIZATIONAL DOCUMENTS OF THE FUND. INVESTORS SHOULD BE AWARE THAT THEY WILL BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

INVESTORS SHOULD INFORM THEMSELVES AS TO (A) THE LEGAL REQUIREMENTS WITHIN THEIR OWN COUNTRIES FOR THE PURCHASE OF SEGREGATED PORTFOLIO SHARES, (B) ANY FOREIGN EXCHANGE RESTRICTIONS THAT THEY MIGHT ENCOUNTER AND (C) THE INCOME AND OTHER TAX CONSEQUENCES OF A PURCHASE OF SEGREGATED PORTFOLIO SHARES.

THIS MEMORANDUM IS INTENDED SOLELY FOR THE USE OF THE PERSON TO WHOM IT HAS BEEN DELIVERED BY THE FUND FOR THE PURPOSE OF EVALUATING A POSSIBLE INVESTMENT BY THE RECIPIENT IN THE SEGREGATED PORTFOLIO SHARES DESCRIBED HEREIN, AND IT IS NOT TO BE REPRODUCED OR DISTRIBUTED TO ANY OTHER PERSONS (OTHER THAN PROFESSIONAL ADVISORS OF THE PROSPECTIVE INVESTOR RECEIVING THIS DOCUMENT FROM THE FUND).

NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, INVESTORS (AND EACH EMPLOYEE, REPRESENTATIVE OR OTHER AGENT OF INVESTORS) MAY DISCLOSE TO ANY AND ALL PERSONS, WITHOUT LIMITATIONS OF ANY KIND, THE TAX TREATMENT AND TAX STRUCTURE OF THE FUND AND ANY OF ITS TRANSACTIONS AND ALL MATERIALS OF ANY KIND (INCLUDING OPINIONS OR OTHER TAX ANALYSES) THAT ARE PROVIDED TO INVESTORS RELATING TO SUCH TAX TREATMENT AND TAX STRUCTURE. THIS AUTHORIZATION OF TAX DISCLOSURE IS RETROACTIVELY EFFECTIVE TO THE COMMENCEMENT OF THE FIRST DISCUSSIONS BETWEEN SUCH INVESTOR AND THE FUND REGARDING THE TRANSACTIONS CONTEMPLATED HEREIN.

DISCUSSIONS IN THIS MEMORANDUM BELOW AS THEY RELATE TO CERTAIN UNITED STATES FEDERAL INCOME TAX CONSEQUENCES ARE NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, FOR THE PURPOSE OF AVOIDING UNITED STATES FEDERAL TAX PENALTIES. SUCH DISCUSSIONS WERE WRITTEN TO SUPPORT THE PROMOTION OR MARKETING OF THE TRANSACTIONS OR MATTERS ADDRESSED IN THIS MEMORANDUM, AND ANY TAXPAYER TO WHOM THE TRANSACTIONS OR MATTERS ARE BEING PROMOTED, MARKETED OR RECOMMENDED SHOULD SEEK ADVICE BASED ON ITS PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR. IT IS THE RESPONSIBILITY OF ANY RECIPIENT OF THIS MEMORANDUM TO CONFIRM AND OBSERVE ALL

APPLICABLE LAWS AND REGULATIONS. THE FOLLOWING NON-EXHAUSTIVE INFORMATION IS PROVIDED BY WAY OF EXAMPLE AS A GENERAL GUIDE ONLY:

FOR AUSTRALIAN PROSPECTIVE SHAREHOLDERS ONLY:

THE FUND IS NOT, AND IS NOT REQUIRED TO BE, A REGISTERED FOREIGN BODY CORPORATE IN AUSTRALIA, AND THIS MEMORANDUM IS NOT A PROSPECTUS LODGED OR REQUIRED TO BE LODGED WITH THE AUSTRALIAN SECURITIES AND INVESTMENTS COMMISSION. SEGREGATED PORTFOLIO SHARES IN THE FUND WILL ONLY BE OFFERED IN AUSTRALIA TO PERSONS TO WHOM SUCH SECURITIES MAY BE OFFERED WITHOUT A PROSPECTUS UNDER CHAPTER 6D OF THE CORPORATIONS ACT 2001 (CTH). THE SEGREGATED PORTFOLIO SHARES SUBSCRIBED FOR BY INVESTORS IN AUSTRALIA MUST NOT BE OFFERED FOR RESALE IN AUSTRALIA FOR 12 MONTHS FROM ALLOTMENT EXCEPT IN CIRCUMSTANCES WHERE DISCLOSURE TO INVESTORS UNDER THE CORPORATIONS ACT 2001 (CTH) WOULD NOT BE REQUIRED OR WHERE A COMPLIANT PROSPECTUS IS PRODUCED. PROSPECTIVE INVESTORS IN AUSTRALIA SHOULD CONFER WITH THEIR PROFESSIONAL ADVISORS IF IN ANY DOUBT ABOUT THEIR POSITION.

FOR BAHRAIN PROSPECTIVE SHAREHOLDERS ONLY:

THIS OFFER IS A PRIVATE PLACEMENT. IT IS NOT SUBJECT TO THE REGULATIONS OF THE CENTRAL BANK OF BAHRAIN THAT APPLY TO PUBLIC OFFERINGS OF SECURITIES AND THE EXTENSIVE DISCLOSURE REQUIREMENTS AND OTHER PROTECTIONS THAT THESE REGULATIONS CONTAIN. THIS MEMORANDUM IS THEREFORE INTENDED ONLY FOR FINANCIALLY SOPHISTICATED INSTITUTIONAL INVESTORS IN BAHRAIN. SEGREGATED PORTFOLIO SHARES IN THE FUND OFFERED PURSUANT TO THIS MEMORANDUM MAY ONLY BE OFFERED IN MINIMUM SUBSCRIPTIONS OF US\$250,000 OR ITS EQUIVALENT IN FOREIGN CURRENCIES. THE CENTRAL BANK OF BAHRAIN ASSUMES NO RESPONSIBILITY FOR THE ACCURACY AND COMPLETENESS OF THE STATEMENTS AND INFORMATION CONTAINED IN THIS MEMORANDUM AND EXPRESSLY DISCLAIMS ANY LIABILITY WHATSOEVER ARISING FROM RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS MEMORANDUM.

FOR BELGIAN PROSPECTIVE SHAREHOLDERS ONLY:

THE FUND HAS NOT BEEN AND WILL NOT BE REGISTERED WITH THE BELGIAN BANKING, FINANCE AND INSURANCE COMMISSION (COMMISSIE VOOR HET BANK-, FINANCIE- EN ASSURANTIEWEZEN/COMMISSION BANCAIRE, FINANCIÈRE ET DES ASSURANCES) ("CBFA") AS A FOREIGN COLLECTIVE INVESTMENT INSTITUTION REFERRED TO UNDER ARTICLE 127 OF THE BELGIAN ACT OF JULY 20, 2004 RELATING TO CERTAIN FORMS OF COLLECTIVE MANAGEMENT OF INVESTMENT PORTFOLIOS. THIS MEMORANDUM AND THE OFFERING OF SEGREGATED PORTFOLIO SHARES IN THE FUND HAVE NOT BEEN AND WILL NOT BE NOTIFIED TO, AND HAVE NOT BEEN APPROVED OR DISAPPROVED BY, THE CBFA. THE PUBLIC OFFERING OF SEGREGATED PORTFOLIO SHARES IN THE FUND IN BELGIUM WITHIN THE MEANING OF THE BELGIAN ACT OF JULY 20, 2004, AND THE BELGIAN ACT OF JUNE 16, 2006 ON THE PUBLIC OFFERING OF INVESTMENT INSTRUMENTS AND THE ADMISSION OF INVESTMENT INSTRUMENTS TO LISTING ON A REGULATED MARKET HAS NOT BEEN AUTHORIZED BY THE FUND. THE OFFERING MAY THEREFORE NOT BE ADVERTISED, AND SEGREGATED PORTFOLIO SHARES IN THE FUND MAY NOT BE OFFERED, SOLD, TRANSFERRED OR DELIVERED TO, OR SUBSCRIBED TO BY, AND NO MEMORANDUM, INFORMATION CIRCULAR, BROCHURE OR SIMILAR DOCUMENT MAY BE DISTRIBUTED TO, DIRECTLY OR INDIRECTLY, ANY INDIVIDUAL OR LEGAL ENTITY IN BELGIUM, EXCEPT (I) SUBJECT TO THE RESTRICTION OF A MINIMUM INVESTMENT OF €250,000 PER INVESTOR OR (III) IN ANY OTHER CIRCUMSTANCES IN WHICH THE PRESENT OFFERING DOES NOT QUALIFY AS A PUBLIC OFFERING IN ACCORDANCE WITH THE AFOREMENTIONED ACT OF JULY 20, 2004. THIS MEMORANDUM HAS BEEN ISSUED TO THE INTENDED RECIPIENT FOR PERSONAL USE ONLY AND EXCLUSIVELY FOR THE PURPOSE OF THE OFFERING. THEREFORE, IT MAY NOT BE USED FOR ANY OTHER PURPOSE, NOR PASSED ON TO ANY OTHER PERSON IN BELGIUM.

FOR BRAZILIAN PROSPECTIVE SHAREHOLDERS ONLY:

THE SHARES HAVE NOT BEEN, AND WILL NOT BE REGISTERED WITH THE BRAZILIAN SECURITIES AND EXCHANGE COMMISSION (*COMISSÃO DE VALORES MOBILIÁRIOS*) (*CVM*), NOR MAY THEY BE OFFERED, SOLD OR DELIVERED IN BRAZIL OR TO BRAZILIAN RESIDENTS OR TO ANY ENTITY ORGANISED UNDER THE LAWS OF BRAZIL, EXCEPT UNDER CIRCUMSTANCES IN COMPLIANCE WITH APPLICABLE BRAZILIAN LAWS AND REGULATIONS.

FOR BRITISH VIRGIN ISLANDS PROSPECTIVE SHAREHOLDERS ONLY:

THIS MEMORANDUM DOES NOT CONSTITUTE AN OFFER OF THE SEGREGATED PORTFOLIO SHARES TO ANY MEMBER OF THE PUBLIC IN THE BRITISH VIRGIN ISLANDS AND THE SEGREGATED PORTFOLIO SHARES MAY NOT BE OFFERED TO ANY MEMBER OF THE PUBLIC IN THE BRITISH VIRGIN ISLANDS.

FOR EUROPEAN ECONOMIC AREA PROSPECTIVE SHAREHOLDERS ONLY:

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) (*AIFMD*) FOR MARKETING TO PROFESSIONAL INVESTORS IN ANY MEMBER STATE OF THE EUROPEAN ECONOMIC AREA (*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, IN CERTAIN CIRCUMSTANCES AND SUBJECT TO CERTAIN CONDITIONS, BE CAPABLE OF BEING 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.

FOR DANISH PROSPECTIVE SHAREHOLDERS ONLY:

SEGREGATED PORTFOLIO SHARES ARE BEING OFFERED TO A VERY LIMITED NUMBER OF SELECTED DANISH INVESTORS AND THEREFORE NO ACTION HAS OR WILL BE TAKEN THAT WOULD ALLOW AN OFFERING OF THE SHARES TO THE PUBLIC IN DENMARK. FURTHER, THIS MEMORANDUM HAS NOT BEEN AND WILL NOT BE REGISTERED WITH THE DANISH FINANCIAL SUPERVISORY AUTHORITY OR THE DANISH BUSINESS AUTHORITY UNDER THE RELEVANT DANISH ACTS AND REGULATIONS ON THE OFFERING IN DENMARK OF THE SEGREGATED PORTFOLIO SHARES. ACCORDINGLY, THIS MEMORANDUM MAY NOT BE MADE AVAILABLE NOR MAY THE SEGREGATED PORTFOLIO SHARES OTHERWISE BE MARKETED AND OFFERED FOR SALE IN DENMARK OTHER THAN IN CIRCUMSTANCES WHICH ARE DEEMED NOT TO BE MARKETING OR AN OFFER TO THE PUBLIC IN DENMARK.

FOR FINNISH PROSPECTIVE SHAREHOLDERS ONLY:

SEGREGATED PORTFOLIO SHARES IN THE FUND WILL BE OFFERED IN FINLAND EXCLUSIVELY TO INVESTORS QUALIFYING AS “PROFESSIONAL INVESTORS” AS DEFINED UNDER THE FINNISH ACT ON MUTUAL FUNDS (SIJOITUSRAHASTOLAKI, 29.1.1999, AS AMENDED, THE “MFA”). ACCORDINGLY, PROSPECTIVE INVESTORS SHOULD ACKNOWLEDGE THAT THIS MEMORANDUM IS NOT A FUND PROSPECTUS AS MEANT IN THE MFA AND THE MARKETING OF SEGREGATED PORTFOLIO SHARES IN THE FUND IS NOT SUBJECT TO MARKETING PERMISSION FROM THE FINNISH FINANCIAL SUPERVISION AUTHORITY (RAHOITUSTARKASTUS; “FIN-FSA”). FURTHERMORE, EVEN IF SEGREGATED PORTFOLIO SHARES IN THE FUND WERE TO BE CONSTRUED AS “SECURITIES” AS DEFINED IN THE FINNISH SECURITIES MARKETS ACT (ARVOPAPERIMARKKINALAKI, 26.5.1989/495, AS AMENDED, THE “SMA”), BASED ON THE EXEMPTIONS SET FORTH IN DECREE 452/2005 ISSUED BY THE MINISTRY OF FINANCE, THE OFFERING OF SEGREGATED PORTFOLIO SHARES IN THE FUND WOULD BE EXEMPTED FROM THE PROSPECTUS REQUIREMENTS OF THE SMA. ACCORDINGLY, PROSPECTIVE INVESTORS MUST ACKNOWLEDGE THAT THIS MEMORANDUM IS NOT A PROSPECTUS WITHIN THE MEANING SET FORTH IN THE SMA. PROSPECTIVE INVESTORS SHOULD ALSO NOTE THAT NEITHER THE SPONSOR OF THE FUND NOR ANY OF ITS AFFILIATES IS AN INVESTMENT FIRM (SIJOITUSPALVELUYRITYS) AS MEANT IN THE FINNISH INVESTMENT FIRMS ACT (LAKI SIJOITUSPALVELUYRITYKSIÄ, 922/2007, AS AMENDED AND RESTATED) AND THEY ARE NOT SUBJECT TO THE SUPERVISION OF THE FIN-FSA. THE FIN-FSA HAS NOT AUTHORIZED ANY OFFERING FOR THE SUBSCRIPTION OF SEGREGATED PORTFOLIO SHARES IN THE FUND; ACCORDINGLY, SEGREGATED PORTFOLIO SHARES IN THE FUND MAY NOT BE OFFERED OR SOLD IN FINLAND OR TO RESIDENTS THEREOF EXCEPT AS PERMITTED BY FINNISH LAW. THIS MEMORANDUM HAS BEEN PREPARED FOR PRIVATE INFORMATION PURPOSES ONLY AND IT MAY NOT BE USED FOR, AND SHALL NOT BE DEEMED, A PUBLIC OFFERING OF SEGREGATED PORTFOLIO SHARES IN THE FUND. THIS MEMORANDUM IS STRICTLY FOR PRIVATE USE BY ITS HOLDER AND MAY NOT BE PASSED ON TO THIRD PARTIES OR OTHERWISE DISTRIBUTED PUBLICLY.

FOR FRENCH PROSPECTIVE SHAREHOLDERS ONLY:

SEGREGATED PORTFOLIO SHARES IN THE FUND MAY NOT BE MARKETED, OFFERED OR SOLD IN FRANCE AND NEITHER THIS MEMORANDUM, WHICH HAS NOT BEEN SUBMITTED TO THE AUTORITÉ DES MARCHÉS FINANCIERS OR ANY OTHER GOVERNMENTAL AUTHORITY IN FRANCE, NOR ANY OFFERING MATERIAL OR INFORMATION CONTAINED HEREIN RELATING TO SEGREGATED PORTFOLIO SHARES IN THE FUND, MAY BE SUPPLIED TO ANY PERSON IN FRANCE OR USED IN CONNECTION WITH ANY OFFER FOR THE SUBSCRIPTION OR SALE OF SEGREGATED PORTFOLIO SHARES IN THE FUND TO ANY PERSON IN FRANCE. SEGREGATED PORTFOLIO SHARES IN THE FUND MAY ONLY BE MARKETED, OFFERED OR SOLD OUTSIDE OF FRANCE TO INSTITUTIONS WHICH ARE AUTHORIZED TO ENGAGE IN INVESTMENT IN NON-AUTHORIZED FOREIGN INVESTMENT FUNDS.

FOR GERMAN PROSPECTIVE SHAREHOLDERS ONLY:

THIS MEMORANDUM HAS NOT BEEN AND WILL NOT BE SUBMITTED TO, NOR HAS IT BEEN AND WILL NOT BE APPROVED BY, THE BUNDESANSTALT FUER FINANZDIENSTLEISTUNGSAUFSICHT, THE GERMAN FEDERAL FINANCIAL SERVICES SUPERVISORY AUTHORITY. THIS MEMORANDUM AND ANY OTHER DOCUMENT RELATING TO SEGREGATED PORTFOLIO SHARES IN THE FUND, AS WELL AS ANY OTHER INFORMATION CONTAINED THEREIN, MAY NOT BE SUPPLIED TO THE PUBLIC IN GERMANY OR USED IN CONNECTION WITH ANY OFFER OF SUBSCRIPTION FOR SEGREGATED PORTFOLIO SHARES IN THE FUND TO THE PUBLIC IN GERMANY, ANY PUBLIC MARKETING OF SEGREGATED PORTFOLIO SHARES IN THE FUND OR ANY PUBLIC SOLICITATION OF OFFERS TO SUBSCRIBE FOR OR OTHERWISE ACQUIRE SEGREGATED PORTFOLIO SHARES IN THE FUND, AND ANY OFFER OR SOLICITATION WITHIN GERMANY MADE IN CONNECTION WITH SEGREGATED PORTFOLIO SHARES IN THE FUND MUST BE IN FULL COMPLIANCE WITH THE GERMAN SALES PROSPECTUS ACT (VERKAUFSPROSPEKTGESETZ) AND GERMAN INVESTMENT ACT (INVESTMENTGESETZ). THIS MEMORANDUM AND OTHER OFFERING MATERIALS RELATING TO THE OFFER OF SEGREGATED PORTFOLIO SHARES IN THE FUND ARE STRICTLY CONFIDENTIAL AND MAY NOT BE DISTRIBUTED TO ANY PERSON OR ENTITY OTHER THAN THE RECIPIENTS HEREOF.

FOR HONG KONG PROSPECTIVE SHAREHOLDERS ONLY:

WARNING: THE CONTENTS OF THIS MEMORANDUM HAVE NOT BEEN REVIEWED BY ANY REGULATORY AUTHORITY IN HONG KONG. YOU ARE ADVISED TO EXERCISE CAUTION IN RELATION TO THE OFFER. IF YOU ARE IN ANY DOUBT ABOUT ANY OF THE CONTENTS OF THIS MEMORANDUM YOU SHOULD OBTAIN INDEPENDENT PROFESSIONAL ADVICE. THIS MEMORANDUM HAS NOT BEEN REGISTERED BY THE REGISTRAR OF COMPANIES IN HONG KONG. THE FUND IS A COLLECTIVE INVESTMENT SCHEME AS DEFINED IN THE SECURITIES AND FUTURES ORDINANCE OF HONG KONG (THE SFO) BUT HAS NOT BEEN AUTHORISED BY THE SECURITIES AND FUTURES COMMISSION PURSUANT TO THE SFO. ACCORDINGLY, THE SHARES MAY ONLY BE OFFERED OR SOLD IN HONG KONG TO PERSONS WHO ARE “PROFESSIONAL INVESTORS” WITHIN THE MEANING OF THE SFO OR IN CIRCUMSTANCES WHICH ARE PERMITTED UNDER THE COMPANIES (WINDING UP AND MISCELLANEOUS PROVISIONS) ORDINANCE OF HONG KONG AND THE SFO. IN ADDITION, THIS MEMORANDUM MAY NOT BE ISSUED OR POSSESSED FOR THE PURPOSES OF ISSUE, WHETHER IN HONG KONG OR ELSEWHERE, AND THE INTEREST MAY NOT BE DISPOSED OF TO ANY PERSON UNLESS SUCH PERSON IS OUTSIDE HONG KONG, SUCH PERSON IS A “PROFESSIONAL INVESTOR” WITHIN THE MEANING OF THE SFO OR AS OTHERWISE MAY BE PERMITTED BY THE SFO.

FOR INDONESIAN PROSPECTIVE SHAREHOLDERS ONLY:

SEGREGATED PORTFOLIO SHARES WILL NOT BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, IN THE REPUBLIC OF INDONESIA OR TO INDONESIAN CITIZENS, NATIONALS OR CORPORATIONS, WHEREVER LOCATED, OR ENTITIES OR RESIDENTS IN INDONESIA IN A MANNER WHICH CONSTITUTES A PUBLIC OFFERING OF THE SHARES UNDER THE LAWS AND REGULATIONS OF INDONESIA.

FOR ISRAELI PROSPECTIVE SHAREHOLDERS ONLY:

THE SEGREGATED PORTFOLIO SHARES IN THE FUND DESCRIBED IN THIS MEMORANDUM HAVE NOT BEEN REGISTERED AND ARE NOT EXPECTED TO BE REGISTERED UNDER THE ISRAELI SECURITIES LAW — 1968 (THE “SECURITIES LAW”) OR UNDER THE ISRAELI JOINT INVESTMENT TRUST LAW - 1994. ACCORDINGLY, THE FUND SEGREGATED PORTFOLIO SHARES DESCRIBED HEREIN WILL ONLY BE

OFFERED AND SOLD IN ISRAEL TO QUALIFIED INVESTORS DESCRIBED IN SECTION 15A(B)(1) OF THE SECURITIES LAW. IF ANY RECIPIENT IN ISRAEL OF A COPY OF THIS MEMORANDUM IS NOT QUALIFIED AS SUCH, SUCH RECIPIENT SHOULD PROMPTLY RETURN THIS MEMORANDUM TO THE FUND. FURTHERMORE, THE MARKETING OF SEGREGATED PORTFOLIO SHARES IN THE FUND IN ISRAEL IS BEING EFFECTED PURSUANT TO A NO-ACTION RULING FROM THE ISRAELI SECURITIES AUTHORITY. NEITHER THE FUND NOR ANY OF ITS MANAGERS OR ADVISORS ARE LICENSED UNDER THE ISRAELI LAW FOR THE REGULATION OF THE PROVISION OF INVESTMENT ADVICE, MARKETING INVESTMENTS AND PORTFOLIO MANAGEMENT 1995 (THE "INVESTMENT ADVISOR LAW") OR HAVE INSURANCE AS STIPULATED BY THE INVESTMENT ADVISOR LAW.

FOR ITALIAN PROSPECTIVE SHAREHOLDERS ONLY:

THE FUND IS NOT A UCITS FUND. THE OFFERING OF SEGREGATED PORTFOLIO SHARES IN THE FUND IN ITALY HAS NOT BEEN NOR WILL IT BE AUTHORIZED BY THE BANK OF ITALY AND THE CONSOB. SEGREGATED PORTFOLIO SHARES IN THE FUND ARE OFFERED UPON THE EXPRESS REQUEST OF THE INVESTOR, WHO HAS DIRECTLY CONTACTED THE FUND OR ITS SPONSOR ON THE INVESTOR'S OWN INITIATIVE. NO ACTIVE MARKETING OF THE FUND HAS BEEN MADE NOR WILL IT BE MADE IN ITALY, AND THIS MEMORANDUM HAS BEEN SENT TO THE INVESTOR AT THE INVESTOR'S REQUEST. THE INVESTOR ACKNOWLEDGES AND CONFIRMS THE ABOVE AND HEREBY AGREES NOT TO SELL OR OTHERWISE TRANSFER ANY SHARE IN THE FUND OR TO CIRCULATE THIS MEMORANDUM IN ITALY UNLESS EXPRESSLY PERMITTED BY, AND IN COMPLIANCE WITH, APPLICABLE LAW.

FOR JAPANESE PROSPECTIVE SHAREHOLDERS ONLY:

THE SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED PURSUANT TO ARTICLE 4, PARAGRAPH 1 OF THE FINANCIAL INSTRUMENTS AND EXCHANGE LAW OF JAPAN (LAW NO. 25 OF 1948, AS AMENDED) AND, ACCORDINGLY, NONE OF THE SHARES NOR ANY INTEREST IN THEM MAY BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, IN JAPAN OR TO, OR FOR THE BENEFIT, OF ANY JAPANESE PERSON OR TO OTHERS FOR RE-OFFERING OR RESALE, DIRECTLY OR INDIRECTLY, IN JAPAN OR TO ANY JAPANESE PERSON EXCEPT UNDER CIRCUMSTANCES WHICH WILL RESULT IN COMPLIANCE WITH ALL APPLICABLE LAWS, REGULATIONS AND GUIDELINES PROMULGATED BY THE RELEVANT JAPANESE GOVERNMENTAL AND REGULATORY AUTHORITIES AND IN EFFECT AT THE RELEVANT TIME. FOR THIS PURPOSE, A "JAPANESE PERSON" MEANS ANY PERSON RESIDENT IN JAPAN, INCLUDING ANY CORPORATION OR OTHER ENTITY ORGANISED UNDER THE LAWS OF JAPAN.

FOR KOREAN PROSPECTIVE SHAREHOLDERS ONLY:

THE SEGREGATED PORTFOLIO SHARES MAY NOT BE OFFERED, SOLD OR DELIVERED, DIRECTLY OR INDIRECTLY, OR OFFERED OR SOLD TO ANY PERSON FOR RE-OFFERING OR RESALE, DIRECTLY OR INDIRECTLY, IN KOREA OR TO ANY RESIDENT OF KOREA EXCEPT PURSUANT TO APPLICABLE KOREAN LAWS AND REGULATIONS.

FOR KUWAITI PROSPECTIVE SHAREHOLDERS ONLY:

SEGREGATED PORTFOLIO SHARES IN THE FUND HAVE NOT BEEN LICENSED FOR OFFERING IN KUWAIT BY THE MINISTRY OF COMMERCE AND INDUSTRY, THE KUWAIT CENTRAL BANK OR ANY OTHER RELEVANT KUWAITI GOVERNMENTAL AGENCY. THE OFFERING OF THE SEGREGATED PORTFOLIO SHARES IN THE FUND IN KUWAIT ON THE BASIS OF A PRIVATE PLACEMENT OR PUBLIC OFFERING IS, THEREFORE, RESTRICTED IN ACCORDANCE WITH DECREE LAW NO. 31 OF 1990, AS AMENDED, AND MINISTERIAL ORDER NO. 113 OF 1992, AS AMENDED. NO PRIVATE OR PUBLIC OFFERING OF SEGREGATED PORTFOLIO SHARES IN THE FUND IS BEING MADE IN KUWAIT, AND NO AGREEMENT RELATING TO THE SALE OF SEGREGATED PORTFOLIO SHARES IN THE FUND WILL BE CONCLUDED IN KUWAIT. NO MARKETING OR SOLICITATION OR INDUCEMENT ACTIVITIES ARE BEING USED TO OFFER OR MARKET SEGREGATED PORTFOLIO SHARES IN THE FUND IN KUWAIT.

FOR LEBANESE PROSPECTIVE SHAREHOLDERS ONLY:

NEITHER THIS MEMORANDUM NOR THE SEGREGATED PORTFOLIO SHARES HAVE BEEN APPROVED, DISAPPROVED OR PASSED ON IN ANY WAY BY THE LEBANESE CENTRAL BANK (THE "BDL"), THE CAPITAL MARKET AUTHORITY (THE "CMA") OR ANY OTHER GOVERNMENTAL AUTHORITY IN LEBANON, NOR HAS THE FUND RECEIVED AUTHORIZATION OR LICENSING FROM THE BDL, THE CMA OR ANY OTHER GOVERNMENTAL AUTHORITY IN LEBANON TO MARKET OR SELL THE SEGREGATED

PORTFOLIO SHARES WITHIN LEBANON. THIS MEMORANDUM DOES NOT CONSTITUTE AND MAY NOT BE USED FOR THE PURPOSE OF AN OFFER OR INVITATION. NO SERVICES RELATING TO THE SEGREGATED PORTFOLIO SHARES, INCLUDING THE RECEIPT OF APPLICATIONS AND THE ALLOTMENT OR REDEMPTION OF SUCH SHARES, MAY BE RENDERED BY THE FUND WITHIN LEBANON.

FOR LUXEMBOURG PROSPECTIVE SHAREHOLDERS ONLY:

NO PUBLIC OFFERING OF SEGREGATED PORTFOLIO SHARES IN THE FUND IS BEING MADE TO INVESTORS RESIDENT IN LUXEMBOURG. SEGREGATED PORTFOLIO SHARES IN THE FUND ARE BEING OFFERED ONLY TO A LIMITED NUMBER OF SOPHISTICATED AND PROFESSIONAL INVESTORS IN LUXEMBOURG. THE COMMISSION DE SURVEILLANCE DU SECTEUR FINANCIER OF LUXEMBOURG HAS NOT PASSED UPON THE ACCURACY OR ADEQUACY OF THIS MEMORANDUM OR OTHERWISE APPROVED OR AUTHORIZED THE OFFERING OF SEGREGATED PORTFOLIO SHARES IN THE FUND TO INVESTORS RESIDENT IN LUXEMBOURG.

FOR MALAYSIAN PROSPECTIVE SHAREHOLDERS ONLY:

SEGREGATED PORTFOLIO SHARES IN THE FUND ARE “INTERESTS” WITHIN THE MEANING OF SECTION 84 OF THE COMPANIES ACT 1965, AND ARE NOT “SECURITIES” WITHIN THE MEANING OF THE CAPITAL MARKETS AND SERVICES ACT 2007. UNDER SECTION 89 OF THE COMPANIES ACT 1965, SEGREGATED PORTFOLIO SHARES IN THE FUND MAY NOT BE ISSUED OR OFFERED TO THE PUBLIC IN MALAYSIA FOR SUBSCRIPTION OR PURCHASE, NOR MAY THE PUBLIC IN MALAYSIA BE INVITED TO SUBSCRIBE FOR OR PURCHASE FUND SEGREGATED PORTFOLIO SHARES.

FOR NETHERLANDS PROSPECTIVE SHAREHOLDERS ONLY:

SEGREGATED PORTFOLIO SHARES IN THE FUND MAY NOT BE OFFERED, SOLD, TRANSFERRED OR DELIVERED IN THE NETHERLANDS, AS PART OF THEIR INITIAL DISTRIBUTION OR AT ANY TIME THEREAFTER, DIRECTLY OR INDIRECTLY, OTHER THAN TO QUALIFIED INVESTORS WITHIN THE MEANING OF THE LOWER LEGISLATION PROMULGATED PURSUANT TO THE DUTCH FINANCIAL SUPERVISION ACT (WET OP HET FINANCIËEL TOEZICHT), AS AMENDED FROM TIME TO TIME.

FOR NORWEGIAN PROSPECTIVE SHAREHOLDERS ONLY:

THIS MEMORANDUM DOES NOT CONSTITUTE AN INVITATION OR A PUBLIC OFFER OF SECURITIES IN THE KINGDOM OF NORWAY. IT IS INTENDED ONLY FOR THE ORIGINAL RECIPIENT AND IS NOT FOR GENERAL CIRCULATION IN THE KINGDOM OF NORWAY. THE OFFER HEREIN IS NOT SUBJECT TO THE PROSPECTUS REQUIREMENTS LAID DOWN IN THE NORWEGIAN SECURITIES TRADING ACT. THIS MEMORANDUM HAS NOT BEEN NOR WILL IT BE REGISTERED WITH OR AUTHORIZED BY ANY GOVERNMENTAL BODY IN NORWAY.

FOR NEW ZEALAND PROSPECTIVE SHAREHOLDERS ONLY:

NO PUBLIC OFFERING OF SEGREGATED PORTFOLIO SHARES IN THE FUND IS BEING MADE TO INVESTORS IN NEW ZEALAND. SEGREGATED PORTFOLIO SHARES IN THE FUND ARE BEING OFFERED TO INVESTORS IN NEW ZEALAND PURSUANT TO EXEMPTIONS FROM THE PROSPECTUS REQUIREMENTS UNDER THE SECURITIES ACT OF 1978. THE NEW ZEALAND SECURITIES COMMISSION HAS NOT PASSED UPON THE ACCURACY OR ADEQUACY OF THIS MEMORANDUM OR OTHERWISE APPROVED OR AUTHORIZED THE OFFERING OF SEGREGATED PORTFOLIO SHARES IN THE FUND TO INVESTORS RESIDENT IN NEW ZEALAND.

FOR OMAN PROSPECTIVE SHAREHOLDERS ONLY:

THIS MEMORANDUM, AND THE SEGREGATED PORTFOLIO SHARES IN THE FUND TO WHICH IT RELATES, MAY NOT BE ADVERTISED, MARKETED, DISTRIBUTED OR OTHERWISE MADE AVAILABLE TO THE GENERAL PUBLIC IN OMAN. IN CONNECTION WITH THE OFFERING OF THE SEGREGATED PORTFOLIO SHARES, NO PROSPECTUS HAS BEEN REGISTERED WITH OR APPROVED BY THE CENTRAL BANK OF OMAN, THE OMAN MINISTRY OF COMMERCE AND INDUSTRY, THE OMAN CAPITAL MARKET AUTHORITY OR ANY OTHER REGULATORY BODY IN THE SULTANATE OF OMAN. THE OFFERING AND SALE OF SEGREGATED PORTFOLIO SHARES IN THE FUND DESCRIBED IN THIS MEMORANDUM WILL NOT TAKE PLACE INSIDE OMAN. SEGREGATED PORTFOLIO SHARES IN THE FUND ARE BEING OFFERED ON

A LIMITED PRIVATE BASIS, AND DO NOT CONSTITUTE MARKETING, OFFERING OR SALES TO THE GENERAL PUBLIC IN OMAN. THEREFORE, THIS MEMORANDUM IS STRICTLY PRIVATE AND CONFIDENTIAL, AND IS BEING ISSUED TO A LIMITED NUMBER OF SOPHISTICATED INVESTORS, AND MAY NEITHER BE REPRODUCED, USED FOR ANY OTHER PURPOSE, NOR PROVIDED TO ANY OTHER PERSON THAN THE INTENDED RECIPIENT HEREOF.

FOR PHILIPPINES PROSPECTIVE SHAREHOLDERS ONLY:

THE SEGREGATED PORTFOLIO SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE PHILIPPINE REVISED SECURITIES ACT AND MAY NOT BE SOLD OR OFFERED FOR SALE OR DISTRIBUTION IN THE PHILIPPINES, UNLESS THE SAME ARE SOLD IN A TRANSACTION EXEMPT UNDER THE PROVISIONS OF THE PHILIPPINE REVISED SECURITIES ACT. THE PHILIPPINE SECURITIES AND EXCHANGE COMMISSION HAS NOT PASSED UPON, COMMENTED ON OR ENDORSED THE MERITS OF THIS PLACEMENT OR THE ACCURACY OR ADEQUACY OF THIS MEMORANDUM.

FOR PORTUGUESE PROSPECTIVE SHAREHOLDERS ONLY:

THIS OFFERING IS ADDRESSED ONLY TO INSTITUTIONAL INVESTORS, AS SO QUALIFIED PURSUANT TO THE PORTUGUESE SECURITIES CODE (DECREE LAW 486/99 DATED NOVEMBER 13, 2000, AS AMENDED), AND A LIMITED NUMBER OF IDENTIFIED INVESTORS, AND DOES NOT QUALIFY AS MARKETING OF PARTICIPATION UNITS IN UNDERTAKINGS FOR COLLECTIVE INVESTMENTS, AS PER ARTICLE 1 NO. 3 EX VI ARTICLE 15 OF THE UNDERTAKINGS FOR COLLECTIVE INVESTMENT LAW.

FOR QATAR PROSPECTIVE SHAREHOLDERS ONLY:

SEGREGATED PORTFOLIO SHARES IN THE FUND DESCRIBED IN THIS MEMORANDUM HAVE NOT BEEN OFFERED, SOLD OR DELIVERED, AND WILL NOT BE OFFERED, SOLD OR DELIVERED AT ANY TIME, DIRECTLY OR INDIRECTLY, IN THE STATE OF QATAR IN A MANNER THAT WOULD CONSTITUTE A PUBLIC OFFERING. THIS MEMORANDUM HAS NOT BEEN REVIEWED OR REGISTERED WITH QATARI GOVERNMENT AUTHORITIES, WHETHER UNDER LAW NO. 25 (2002) CONCERNING INVESTMENT FUNDS, CENTRAL BANK RESOLUTION NO. 15 (1997), AS AMENDED, OR ANY ASSOCIATED REGULATIONS. THEREFORE, THIS MEMORANDUM IS STRICTLY PRIVATE AND CONFIDENTIAL, AND IS BEING ISSUED TO A LIMITED NUMBER OF SOPHISTICATED INVESTORS, AND MAY NEITHER BE REPRODUCED, USED FOR ANY OTHER PURPOSE, NOR PROVIDED TO ANY PERSON OTHER THAN THE INTENDED RECIPIENT HEREOF.

FOR SAUDI ARABIAN PROSPECTIVE SHAREHOLDERS ONLY:

NEITHER THIS MEMORANDUM NOR THE SEGREGATED PORTFOLIO SHARES IN THE FUND HAVE BEEN APPROVED, DISAPPROVED OR PASSED ON IN ANY WAY BY THE CAPITAL MARKET AUTHORITY OR ANY OTHER GOVERNMENTAL AUTHORITY IN THE KINGDOM OF SAUDI ARABIA, NOR HAS THE FUND RECEIVED AUTHORIZATION OR LICENSING FROM THE CAPITAL MARKET AUTHORITY OR ANY OTHER GOVERNMENTAL AUTHORITY IN THE KINGDOM OF SAUDI ARABIA TO MARKET OR SELL SEGREGATED PORTFOLIO SHARES IN THE FUND WITHIN THE KINGDOM OF SAUDI ARABIA. THIS MEMORANDUM DOES NOT CONSTITUTE AND MAY NOT BE USED FOR THE PURPOSE OF AN OFFER OR INVITATION. NO SERVICES RELATING TO SEGREGATED PORTFOLIO SHARES IN THE FUND, INCLUDING THE RECEIPT OF APPLICATIONS AND THE ALLOTMENT OR REDEMPTION OF SUCH SEGREGATED PORTFOLIO SHARES, MAY BE RENDERED BY THE FUND WITHIN THE KINGDOM OF SAUDI ARABIA.

FOR SINGAPORE PROSPECTIVE SHAREHOLDERS ONLY:

THE OFFER OR INVITATION WHICH IS THE SUBJECT OF THIS MEMORANDUM DOES NOT RELATE TO A COLLECTIVE INVESTMENT SCHEME WHICH IS AUTHORISED UNDER SECTION 286 OF THE SECURITIES AND FUTURES ACT, CHAPTER 289 OF SINGAPORE (THE SFA) OR RECOGNISED UNDER SECTION 287 OF THE SFA. THE FUND IS NOT AUTHORISED OR RECOGNISED BY THE MONETARY AUTHORITY OF SINGAPORE (MAS) AND SHARES ARE NOT ALLOWED TO BE OFFERED TO THE RETAIL PUBLIC. EACH OF THIS MEMORANDUM AND ANY OTHER DOCUMENT OR MATERIAL ISSUED IN CONNECTION WITH THE OFFER OR SALE IS NOT A PROSPECTUS AS DEFINED IN THE SFA. ACCORDINGLY, STATUTORY LIABILITY UNDER THAT ACT IN RELATION TO THE CONTENT OF PROSPECTUSES WOULD NOT APPLY. YOU SHOULD CONSIDER CAREFULLY WHETHER THE INVESTMENT IS SUITABLE FOR YOU. THIS MEMORANDUM HAS NOT BEEN REGISTERED AS A PROSPECTUS WITH MAS. ACCORDINGLY, THIS MEMORANDUM AND ANY OTHER DOCUMENT OR MATERIAL IN CONNECTION WITH THE OFFER OR

SALE, OR INVITATION FOR SUBSCRIPTION OR PURCHASE, OF SHARES MAY NOT BE CIRCULATED OR DISTRIBUTED, NOR MAY SHARES BE OFFERED OR SOLD, OR BE MADE THE SUBJECT OF AN INVITATION FOR SUBSCRIPTION OR PURCHASE, WHETHER DIRECTLY OR INDIRECTLY, TO PERSONS IN SINGAPORE OTHER THAN (I) TO AN INSTITUTIONAL INVESTOR UNDER SECTION 304 OF THE SFA, (II) TO A RELEVANT PERSON PURSUANT TO SECTION 305(1), OR ANY PERSON PURSUANT TO SECTION 305(2), AND IN ACCORDANCE WITH THE CONDITIONS, SPECIFIED IN SECTION 305 OF THE SFA OR (III) OTHERWISE PURSUANT TO, AND IN ACCORDANCE WITH THE CONDITIONS OF, ANY OTHER APPLICABLE PROVISION OF THE SFA.

FOR SPANISH PROSPECTIVE SHAREHOLDERS ONLY:

SEGREGATED PORTFOLIO SHARES IN THE FUND MAY NOT BE OFFERED OR SOLD IN SPAIN EXCEPT IN ACCORDANCE WITH THE REQUIREMENTS OF THE SPANISH SECURITIES MARKET LAW (LEY 24/1988, DE 28 DE JULIO, DEL MERCADO DE VALORES) AS AMENDED AND RESTATED, ROYAL DECREE 1310/2005, ON SECURITIES ADMISSION TO TRADE ON SECONDARY OFFICIAL MARKETS, PUBLIC OFFERINGS OR SUBSCRIPTIONS, AND PROSPECTUS REQUIRED TO SUCH EFFECTS, AND/OR SUBJECT AND IN COMPLIANCE WITH THE REQUIREMENTS CONTAINED IN SUCH REGULATIONS (REAL DECRETO 1310/2005, DE 4 DE NOVIEMBRE, POR EL QUE SE DESARROLLA PARCIALMENTE LA LEY 24/1988, DE 28 DE JULIO, DEL MERCADO DE VALORES, EN MATERIA DE ADMISIÓN A NEGOCIACIÓN DE VALORES EN MERCADOS SECUNDARIOS OFICIALES, DE OFERTAS PÚBLICAS DE VENTA O SUSCRIPCIÓN Y DEL FOLLETO EXIGIBLE A TALES EFECTOS) (“R.D. 1310/2005”), AND SUBSEQUENT LEGISLATION. THIS MEMORANDUM IS NEITHER VERIFIED NOR REGISTERED WITH THE COMISIÓN NACIONAL DEL MERCADO DE VALORES, AND THEREFORE A PUBLIC OFFER OF SEGREGATED PORTFOLIO SHARES IN THE FUND WILL NOT BE CARRIED OUT IN SPAIN.

FOR SWISS PROSPECTIVE SHAREHOLDERS ONLY:

THE OFFERING OF SHARES IN SWITZERLAND WILL BE EXCLUSIVELY MADE TO, AND DIRECTED AT, QUALIFIED INVESTORS (THE “QUALIFIED INVESTORS”), AS DEFINED IN THE SWISS COLLECTIVE INVESTMENT SCHEMES ACT OF 23 JUNE 2006, AS AMENDED (CISA) AND ITS IMPLEMENTING ORDINANCE, THE SWISS COLLECTIVE INVESTMENT SCHEMES ORDINANCE OF 22 NOVEMBER 2006 (CISO). ACCORDINGLY, THE FUND HAS NOT BEEN AND WILL NOT BE REGISTERED WITH THE SWISS FINANCIAL MARKET SUPERVISORY AUTHORITY (FINMA). THIS MEMORANDUM AND/OR ANY OTHER OFFERING MATERIALS RELATING TO THE SHARES MAY BE MADE AVAILABLE IN SWITZERLAND SOLELY TO QUALIFIED INVESTORS.

THIS MEMORANDUM AND INFORMATION RELATING TO THE [SHARES] WILL NOT BE LISTED ON THE SIX SWISS EXCHANGE (“SIX”) OR ON ANY OTHER STOCK EXCHANGE OR REGULATED TRADING FACILITY IN SWITZERLAND. THIS MEMORANDUM HAS BEEN PREPARED WITHOUT REGARD TO THE DISCLOSURE STANDARDS FOR ISSUANCE PROSPECTUSES UNDER THE FINANCIAL SERVICES ACT OR THE DISCLOSURE STANDARDS FOR LISTING PROSPECTUSES UNDER THE SIX LISTING RULES OR THE LISTING RULES OF ANY OTHER STOCK EXCHANGE OR REGULATED TRADING FACILITY IN SWITZERLAND.

NEITHER THIS MEMORANDUM NOR ANY OTHER OFFERING OR MARKETING MATERIAL RELATING TO THE SHARES, THE ISSUER OR THE SHARES HAVE BEEN OR WILL BE FILED WITH, REVIEWED OR APPROVED BY ANY SWISS REGULATORY AUTHORITY OR REVIEWING BODY.

FOR TAIWAN PROSPECTIVE SHAREHOLDERS ONLY:

SEGREGATED PORTFOLIO SHARES IN THE FUND HAVE NOT BEEN REGISTERED IN THE REPUBLIC OF CHINA, NOR IS APPROVAL BY THE FINANCIAL SUPERVISORY COMMISSION, EXECUTIVE YUAN, THE REPUBLIC OF CHINA (“FSC”) COMPULSORY. SUBSCRIBERS SHOULD REVIEW THE FINANCIAL INFORMATION AND RELEVANT DOCUMENTS, CONSULT WITH AN INDEPENDENT CONSULTANT, AND BEAR THE RISK AND OF THIS INVESTMENT. SUBSCRIBERS WITHIN THE TERRITORY OF THE REPUBLIC OF CHINA ARE REQUIRED TO MEET CERTAIN REQUIREMENTS SET FORTH IN THE RULES GOVERNING OFFSHORE FUNDS AND CONDITIONS PROMULGATED BY THE FSC. SUBSCRIBERS CANNOT RESELL THE SEGREGATED PORTFOLIO SHARES NOR SOLICIT ANY OTHER PURCHASERS FOR THIS OFFERING.

FOR UNITED ARAB EMIRATES SHAREHOLDERS ONLY:

SHARES IN THE FUND ARE BEING OFFERING IN THE UNITED ARAB EMIRATES (THE UAE) EXCLUSIVELY TO QUALIFIED INVESTORS AS SUCH TERM IS DEFINED IN THE SECURITIES AND

COMMODITIES AUTHORITY (SCA) BOARD OF DIRECTORS' CHAIRMAN DECISION NO. (9/R.M) OF 2016 CONCERNING THE REGULATIONS AS TO MUTUAL FUNDS OR ELIGIBLE INVESTORS AS SUCH TERM IS DEFINED UNDER THE SCA CHAIRMAN'S DECISION NO. (3/R.M) OF 2017 REGULATING THE PROMOTION AND INTRODUCTION OF SECURITIES. BY RECEIVING THIS MEMORANDUM, THE PERSON OR ENTITY TO WHOM IT HAS BEEN ISSUED UNDERSTANDS, ACKNOWLEDGES AND AGREES THAT NEITHER THIS MEMORANDUM NOR THE SHARES IN THE FUND HAVE BEEN APPROVED, DISAPPROVED OR PASSED ON IN ANY WAY BY THE CENTRAL BANK OF THE UAE, THE SCA OR ANY OTHER AUTHORITY IN THE UAE, NOR HAS THE ENTITY CONDUCTING THE PLACEMENT IN THE UAE RECEIVED AUTHORIZATION OR LICENSING FROM THE CENTRAL BANK OF THE UAE, THE SCA OR ANY OTHER AUTHORITY IN THE UAE TO MARKET OR SELL SHARES IN THE FUND WITHIN THE UAE. THE SCA ACCEPTS NO LIABILITY IN RELATION TO THE FUND AND IS NOT MAKING ANY RECOMMENDATION WITH RESPECT TO AN INVESTMENT IN THE FUND. NOTHING CONTAINED IN THIS MEMORANDUM IS INTENDED TO CONSTITUTE UAE INVESTMENT, LEGAL, TAX, ACCOUNTING OR OTHER PROFESSIONAL ADVICE. THIS MEMORANDUM IS FOR THE INFORMATION OF PROSPECTIVE INVESTORS ONLY AND NOTHING IN THIS MEMORANDUM IS INTENDED TO ENDORSE OR RECOMMEND A PARTICULAR COURSE OF ACTION. PROSPECTIVE INVESTORS SHOULD CONSULT WITH AN APPROPRIATE PROFESSIONAL FOR SPECIFIC ADVICE RENDERED ON THE BASIS OF THEIR SITUATION.

FOR UNITED KINGDOM PROSPECTIVE SHAREHOLDERS ONLY:

THE FUND IS AN UNRECOGNIZED COLLECTIVE INVESTMENT SCHEME FOR THE PURPOSES OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 OF THE UNITED KINGDOM (THE "ACT"). THE PROMOTION OF THE FUND AND THE DISTRIBUTION OF THIS OFFERING MEMORANDUM IN THE UNITED KINGDOM ARE CONSEQUENTLY RESTRICTED BY LAW.

THE INVESTMENT MANAGER HAS SUBMITTED A NOTIFICATION IN ACCORDANCE WITH REGULATION 59 OF THE UNITED KINGDOM ALTERNATIVE INVESTMENT FUND MANAGERS REGULATIONS 2013 TO THE UNITED KINGDOM FINANCIAL CONDUCT AUTHORITY ("FCA") OF ITS INTENTION TO MARKET THE FUND IN THE UNITED KINGDOM AND AN INVESTMENT IN THE FUND IS ONLY AVAILABLE TO AND IS ONLY BEING DIRECTED AT RESTRICTED CATEGORIES OF RECIPIENTS (EACH AN "EXEMPT PERSON"), NAMELY: (A) PERSONS HAVING PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO UNREGULATED COLLECTIVE INVESTMENT SCHEMES FALLING WITHIN THE DEFINITION OF "INVESTMENT PROFESSIONAL" IN ARTICLE 14 FINANCIAL SERVICES AND MARKETS ACT 2000 (PROMOTION OF COLLECTIVE INVESTMENT SCHEMES) (EXEMPTIONS) ORDER 2001 (AS AMENDED) (THE "CIS ORDER") WHERE THE PERSON COMMUNICATING THIS MEMORANUDM IS AUTHORISED UNDER FSMA, OR ARTICLE 19 OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005 (THE "PROMOTION ORDER") WHERE THE PERSON COMMUNICATING THIS MEMORANDUM IS NOT AUTHORISED UNDER FSMA; (B) CERTIFIED HIGH NET WORTH INDIVIDUALS AS DEFINED AND MEETING THE REQUIREMENTS IN ARTICLE 21 OF THE CIS ORDER OR ARTICLE 48 OF THE PROMOTION ORDER; (C) PERSONS FALLING WITHIN THE DEFINITION OF "HIGH NET WORTH COMPANIES, UNINCORPORATED ASSOCIATIONS ETC." IN ARTICLE 22 OF THE CIS ORDER OR ARTICLE 49 OF THE PROMOTION ORDER, AS APPLICABLE; (D) CERTIFIED SOPHISTICATED INVESTORS AS DEFINED AND MEETING THE REQUIREMENTS IN ARTICLE 23 OF THE CIS ORDER OR ARTICLE 50 OF THE PROMOTION ORDER; (E) SELF-CERTIFIED SOPHISTICATED INVESTORS AS DEFINED AND MEETING THE REQUIREMENTS IN ARTICLE 23A OR THE CIS ORDER OR ARTICLE 50A OF THE PROMOTION ORDER; AND (F) ANY OTHER PERSON TO WHOM IT MAY OTHERWISE LAWFULLY BE MADE IN ACCORDANCE WITH THE CIS ORDER, THE PROMOTION ORDER OR SECTION 4.12 OF THE FCA'S CONDUCT OF BUSINESS SOURCEBOOK, AS APPLICABLE.

IF YOU ARE NOT AN EXEMPT PERSON, YOU SHOULD NOT ACT OR RELY ON THE CONTENTS OF THIS MEMORANDUM. ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THIS MEMORANDUM RELATES IS AVAILABLE ONLY TO AFOREMENTIONED RELEVANT PERSONS AND WILL BE ENGAGED IN ONLY WITH SUCH RELEVANT PERSONS. RELIANCE ON THIS DOCUMENT FOR THE PURPOSES OF ENGAGING IN ANY INVESTMENT ACTIVITY MAY EXPOSE A PERSON TO A SIGNIFICANT RISK OF LOSING ALL OF THE PROPERTY INVESTED OR OF INCURRING ADDITIONAL LIABILITY. TRANSMISSION OF THIS MEMORANDUM TO ANY OTHER PERSON IN THE UNITED KINGDOM IS UNAUTHORISED AND MAY CONTRAVENE SECTION 21 OR SECTION 238 OF FSMA. RECIPIENTS MUST NOT DISTRIBUTE, PUBLISH, REPRODUCE, OR DISCLOSE THIS MEMORANDUM, IN WHOLE OR IN PART, TO ANY OTHER PERSON. BY ACCEPTING AND NOT IMMEDIATELY RETURNING THIS MEMORANDUM, RECIPIENTS IN THE UNITED KINGDOM WARRANT THAT THEY ARE AN EXEMPT PERSON. THE FUND IS NOT REGULATED BY THE FCA AND INVESTORS MAY NOT HAVE THE BENEFIT OF THE FINANCIAL SERVICES COMPENSATION SCHEME

AND OTHER PROTECTIONS AFFORDED BY THE ACT OR ANY OF THE RULES AND REGULATIONS MADE THEREUNDER.

GENERALLY:

THE DISTRIBUTION OF THIS MEMORANDUM AND THE OFFERING OF SHARES MAY BE RESTRICTED IN CERTAIN JURISDICTIONS. THE ABOVE INFORMATION IS FOR GENERAL GUIDANCE ONLY, AND IT IS THE RESPONSIBILITY OF ANY PERSON OR PERSONS IN POSSESSION OF THIS MEMORANDUM AND WISHING TO MAKE APPLICATION FOR SHARES TO INFORM THEMSELVES OF, AND TO OBSERVE, ALL APPLICABLE LAWS AND REGULATIONS OF ANY RELEVANT JURISDICTION. PROSPECTIVE APPLICANTS FOR INTERESTS 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.

ANTARCTICA ALPHA ACCESS PORTFOLIO SPC LTD.

SUMMARY

The information set out below is a summary of certain important terms and should be read in conjunction with the full text of this Confidential Information Memorandum (the “Memorandum”) and its supplement containing specific information of a Segregated Portfolio (the “Supplement”).

The Fund

Generally. Antarctica Alpha Access Portfolio SPC Ltd. (the “Fund”) is an open-end investment company incorporated as a BVI segregated portfolio company under the BVI Business Companies Act, 2004 (as amended) of the British Virgin Islands (the “BVI BC Act”) on 19 July 2013. Pursuant to its Memorandum and Articles of Association, the Fund is a single corporate entity with the benefit of statutory segregation of assets and liabilities between segregated portfolios, each of which is referred to in this Memorandum as a “Segregated Portfolio”. The Fund is a “professional fund” within the meaning of the Securities and Investment Business Act, 2010 (“SIBA”) and accordingly Segregated Portfolio Shares in the Fund are only being offered to and will only be issued to “professional investors” within the meaning of SIBA. The Fund intends to launch several Segregated Portfolios; each of which will generally offer classes of participating, redeemable, non-voting shares per Segregated Portfolio (the “Segregated Portfolio Shares” or the “Segregated Portfolio Participating Shares”), as disclosed in the relevant Supplement of each Segregated Portfolio.

Segregated Portfolio Shares are denominated in U.S. Dollars. However, the Fund may from time to time offer Segregated Portfolio Shares in different currencies than the U.S. Dollar, as disclosed in the relevant Supplement of each Segregated Portfolio.

Voting, non-participating shares of the Fund are held by Antarctica Asset Management, Ltd. (the “Voting Shares”).

The Fund shall create an account for each Segregated Portfolio and each Class of Segregated Portfolio Shares in turn. Investors shall provide consideration in exchange for Segregated Portfolio Shares issued in a Segregated Portfolio, and that consideration shall be used to make investments, which shall be held specifically for that Segregated Portfolio. Profits and losses generated on those investments are applied solely to the account established for that Segregated Portfolio. Redemption proceeds, dividends and other distributions will be paid out of the assets allocated to the Segregated Portfolio on which such redemption, dividend or other distribution was made;

liabilities of the Fund will be allocated to the Segregated Portfolio or Segregated Portfolios of shares to which they relate as far as possible. The purpose of the Fund being established as a segregated portfolio company is to enable the Fund to offer to investors investment opportunities in a number of differing investment strategies through a single entity, while maintaining legal separation of the profits and liabilities arising from one investment strategy from the profits and liabilities arising from the other investment strategies pursued by the Fund.

The assets and liabilities attributable to each Segregated Portfolio are legally segregated from the assets and liabilities attributed to any other Segregated Portfolio, and are legally segregated from the assets and liabilities which are not attributable to any Segregated Portfolio (which comprise the general assets (hereinafter referred to as the “General Assets”) and liabilities of the Fund). The Directors have overall responsibility for the management and administration of the Fund and each Segregated Portfolio. Management of the assets attributed to each Segregated Portfolio and the General Assets, if any, has been delegated by the Directors to the Investment Manager. Day-to-day administration of each Segregated Portfolio has been delegated to the Administrator. The Fund through each Segregated Portfolio allocates assets using such strategies required to meet by each Segregated Portfolio’s investment objective. The Fund will wind-up in accordance with the terms and conditions set forth in the Memorandum and Articles of Association, as each may be amended or supplemented from time to time.

Segregated Portfolio Shares and Treatment of Liabilities. Shareholders of the Fund will hold Segregated Portfolio Shares which are only entitled to participate in the assets of the Fund attributable to the Segregated Portfolio in respect of which such Segregated Portfolio Shares were issued. The Segregated Portfolio Shares do not entitle the holder to receive notice of, attend or vote on any resolution at meetings of the Shareholders save that certain rights attaching to each Class of Segregated Portfolio Shares may only be materially varied with the consent in writing of the holders of more than 75% (seventy five per cent) of the issued Segregated Portfolio Shares of that Class or with the sanction of a resolution passed at a duly convened and constituted separate meeting of the holders of the Segregated Portfolio Shares of such Class. Each Voting Share entitles its holder to one vote at meetings of Shareholders. The assets and liabilities of the Fund are either attributed by the Directors to a particular Segregated Portfolio or, where they are not so attributed or attributable,

shall form part of the General Assets and liabilities of the Fund. A liability of the Fund to a person which arises from a matter, or is otherwise imposed, in respect of or attributable to a particular Segregated Portfolio, shall extend only to, and that person shall, in respect of that liability, be entitled to have recourse only to, firstly, the assets attributable to such Segregated Portfolio and, secondly, the Fund's General Assets but only to the extent that the assets attributable to that Segregated Portfolio are insufficient to satisfy the liability and as otherwise set forth herein. For the avoidance of doubt, the liability shall not extend to, and that person shall not, in respect of that liability, be entitled to have recourse against, any of the assets attributable to any other Segregated Portfolio of the Fund. In the event that there is a deficit in the assets of one or more Segregated Portfolios of the Fund, the liability of the Fund to a person that arises from a matter, or is otherwise imposed, in respect of or attributable to such Segregated Portfolios may be satisfied out of, and that person shall be entitled to have recourse to, the Fund's General Assets. See "SHARES OF THE FUND – The Fund's Share Capital."

Additional Classes of Segregated Portfolio Shares. The Fund will offer Classes of Segregated Portfolio Shares that may have terms, conditions, fees and rights that differ from, and may be more favorable than, those applicable to other Classes of Segregated Portfolio Shares. Such additional Classes may be offered in the sole discretion of the Board.

New Issues. Certain Classes of Segregated Portfolio Shares may directly or indirectly through their investment in classes of shares of Underlying Funds (as defined below), invest in "new issues" (as such term is defined in U.S. Financial Industry Regulatory Authority, Inc. ("FINRA") Rule 5130, as the same may be amended from time to time), as set out in the relevant Supplement of a Segregated Portfolio.

Investment Objective and Strategy

Unless otherwise disclosed in the relevant Supplement, the investment objective of the Fund is to allow Eligible Investors (as defined herein) to access a group of hedge funds selected by the Investment Manager. The Fund on behalf of each Segregated Portfolio will generally invest substantially all of its assets primarily in a single hedge fund or investment fund (the "Underlying Fund") managed by an independent fund manager (the "Underlying Fund Manager"). However, a Segregated Portfolio may invest in more than one Underlying Fund, as disclosed in the relevant Supplement. The Fund therefore allows Eligible Investors to customize their percentage allocation to each Underlying Fund by investing in different Segregated Portfolios. Over

time, the Investment Manager aims to select a range of different Underlying Funds, which follow different investment strategies including, but not limited to, multi strategy, arbitrage, macro, credit, event driven and equity long short. Unless otherwise disclosed in the relevant Supplement, the Fund will implement its investment objective by causing all or a significant part of the assets of a Segregated Portfolio to be invested generally in one Underlying Fund..

Notwithstanding the foregoing, the Fund may from time to time on behalf of a Segregated Portfolio invest directly in a wide range of instruments and markets, including, but not limited to, preferred stocks, warrants, bonds, equity-related instruments, currencies; financial commodities such as futures and options related to commodities; and derivatives instruments, as disclosed in the relevant Supplement.

There can be no assurance that the Investment Manager will be successful in pursuing the Fund and the Segregated Portfolio’s investment objective. Past results of the Investment Manager and its principal decision makers in this or in other activities are not necessarily indicative of the future performance of the Fund. See “INVESTMENT PROGRAM” and “RISK FACTORS.”

Underlying Fund

Underlying Funds will be selected for investment by the Investment Manager (or an affiliate) and detailed information in relation to each Underlying Fund will be disclosed in the respective Supplement. Notwithstanding the foregoing, the Fund may also invest all or a significant part of the assets of a Segregated Portfolio directly in securities or other assets, as disclosed in the relevant Supplement.

Board of Directors

The Board of Directors of the Fund (the “Board” or the “Directors”) consists of three (3) Directors. The Board has complete oversight over the operations and management of the Fund. Certain operations of the Fund, however, have been delegated by the Board to the Administrator, and the Board has appointed the Investment Manager to manage the assets attributed to each Segregated Portfolio and the General Assets, if any (each of which is further described below), except for the selection of suitable Underlying Funds. See “MANAGEMENT – Board of Directors.”

Investment Manager

Antarctica Asset Management, Ltd. (the “Investment Manager”), a company incorporated under the laws of the British Virgin Islands (“BVI”) on May 21, 2001, manages the Fund’s assets pursuant to an Investment Management Agreement, dated as of 31 July 2013 (the “Investment

Management Agreement”). Pursuant to the terms of the Investment Management Agreement, in consideration for its management services, the Investment Manager will be paid certain fees, as more fully described below and will be reimbursed for all out-of-pocket expenses it incurs on behalf of the Fund. See “FEES AND EXPENSES – Fees of the Investment Manager.”

The Investment Manager is also licensed to carry on business as a manager of mutual funds pursuant to SIBA.

Administrator

Citco Fund Administration (Cayman Islands) Limited, a company incorporated under the laws of the Cayman Islands (the “Administrator”) serves as administrator, registrar and transfer agent of the Fund pursuant to an administration agreement dated as of 31 July 2013 (the “Administration Agreement”). Where the context so requires, the Administrator means its delegate Citco Fund Services (Ireland) Limited. The Administrator performs various administrative services for the Fund, including calculation of the Net Asset Value (as defined herein) of the Segregated Portfolio Shares of the Fund on a monthly basis. See “MANAGEMENT – Administrator.”

Custodian

Citco Global Custody N.V. (the “Custodian”) serves as the Fund’s Custodian pursuant to a brokerage and custody agreement dated as of 31 July 2013 (the “Brokerage and Custody Agreement”). The Fund is not obligated to maintain its relationship with the Custodian for any minimum period of time and may replace the Custodian at the discretion of the Board, subject to a 90 (ninety) day prior notice period. The Fund may appoint one or more additional custodians at any time in its sole discretion. See “MANAGEMENT – Custodian.”

Subscriptions

The details of the subscription terms for each Segregated Portfolio are generally set out in the Supplement of each Segregated Portfolio. In general and unless otherwise disclosed in the relevant Supplement, Segregated Portfolio Shares may be purchased on the first Business Day of each calendar month and any other day approved by the Board in its sole discretion.

The details of the subscription process for each Segregated Portfolio are set out in the Supplement of each Segregated Portfolio. Unless otherwise disclosed in the relevant Supplement, completed subscription materials must be received by the Administrator by 11:59 pm (EST) at least five (5) Business Days prior to the subscription date applicable to the Segregated Portfolio on which prospective investors wish to subscribe for Segregated Portfolio Shares.

Unless otherwise disclosed in the relevant Supplement, cleared funds must be in the Fund's account allocated to the relevant Segregated Portfolio by 11:59 pm (EST) at least five (5) Business Days prior to the subscription date applicable to the Segregated Portfolio on which prospective investors wish to subscribe for Segregated Portfolio Shares. The term "Business Day" refers to any day when the banks in the U.S., Ireland and the BVI are open. Each investor in the Fund shall become a Shareholder. See "ELIGIBLE INVESTORS" and "SUBSCRIPTIONS."

Minimum Investment

The minimum initial investment amount in the Fund in relation to each Segregated Portfolio is set out in the Supplement of that Segregated Portfolio. However, the initial investment in the Fund by each investor shall not be less than U.S.\$100,000 (or its equivalent in another currency).

Placement Agents

The Fund may retain the services of one or more placement agents ("Placement Agents"), at no cost to the Fund, to assist in selling Segregated Portfolio Shares. Such Placement Agents may be paid fees out of the management fees the Investment Manager receives for rendering its services to the Fund. Any such fees will be charged at normal commercial rates.

Eligible Investors

The Segregated Portfolio Shares may be purchased only by "Eligible Investors", as described in this Memorandum. Persons interested in purchasing Segregated Portfolio Shares should inform themselves as to the legal requirements within their own countries for the purchase of Segregated Portfolio Shares and any foreign exchange restrictions with which they must comply. The Fund reserves the right to reject subscriptions for Segregated Portfolio Shares in its absolute discretion without assigning any reason therefor. See "ELIGIBLE INVESTORS."

Net Asset Value

The Net Asset Value of the Fund means the Fund's assets, less liabilities, any accrued but unpaid expenses (including the Management Fee, as each term is defined below) and reasonable reserves (the "Net Asset Value"). Each Class of Segregated Portfolio Shares will have its respective Net Asset Value determined in accordance with the foregoing and based upon the assets and liabilities attributable to the particular Segregated Portfolio Shares. The Net Asset Value of a Class of Segregated Portfolio Shares is equal to the Segregated Portfolio Share's Net Asset Value divided by the number of Segregated Portfolio Shares of that Class then outstanding. The Net Asset Value of each Segregated Portfolio of the Fund and each Class of Segregated Portfolio Shares, as applicable, will be calculated on a monthly basis,

as of the last calendar day of each month, each Redemption Date (as defined herein) and any other date when such computation is necessary or appropriate. To the extent the Fund's Net Asset Value is published, such Net Asset Value will be for each Class of Segregated Portfolio Shares (as applicable). See "DETERMINATION OF NET ASSET VALUE."

Dividends

The Fund does not currently expect to pay dividends or other distributions to Shareholders other than the proceeds of redemptions. Notwithstanding that, the Fund may proceed to make such payments in the event that the respective Underlying Funds (as applicable) pay dividends or other cash distributions to the Fund as investor.

Certain U.S. Regulatory Matters

The Fund is not registered as an investment company and, therefore, is not required to adhere to certain investment policies under the U.S. Investment Company Act of 1940, as amended (the "Company Act"). The Investment Manager is not registered as an "investment adviser" under the U.S. Investment Advisers Act of 1940, as amended. This Memorandum may be amended by the Fund without further notice to the Shareholders so as to comply with any rule, regulation or statute.

Redemptions

The details of the redemption terms for each Segregated Portfolio are set out in the Supplement of each Segregated Portfolio. The redemption terms of each Segregated Portfolio will largely depend on the redemption terms of the respective Underlying Funds, (as applicable). Except as provided herein, a holder of Segregated Portfolio Shares has the right to redeem its Segregated Portfolio Shares at such times as described in the Supplement of each Segregated Portfolio, at the then current Net Asset Value per Share or per Class (as the case may be), less any redemption fees payable as disclosed in the Supplement of each Segregated Portfolio.

The Fund may, in its sole discretion, waive in whole or in part, the notice requirement with respect to any or all Shareholders.

Fees and Expenses

Management Fee. The Investment Manager receives, on a monthly basis, a management fee (the "Management Fee"). The details of the Management Fee for each Segregated Portfolio and each Class thereof are set out in the Supplement of each Segregated Portfolio. The Management Fee is based upon the sum of the applicable Classes of Segregated Portfolio Shares' Net Asset Values as of the last calendar day of the preceding month, or at any other relevant time as the Net Asset Value may be calculated. The

Investment Manager may, in its sole discretion, waive all or part of the Management Fee with respect to any Shareholder, by rebate or otherwise. See “FEES AND EXPENSES” and the applicable Supplement.

Performance Fee. The Investment Manager may receive a performance-based fee, as disclosed in the relevant Supplement of a Segregated Portfolio. See generally “FEES AND EXPENSES.”

Other Expenses. The Fund will pay for its establishment, organizational and offering expenses, including legal, audit and administrative fees. In addition, the Fund will pay the Administrator a monthly administration fee in accordance with the Administration Agreement. All ongoing costs and expenses associated with the administration and operation of the Fund, including brokerage commissions, directors’ fees, insurance premiums, printing costs, costs of trading equipment and price quotation services and all accounting (and audit), custodian and legal fees in relation to the affairs of each Segregated Portfolio, are borne by the Fund in accordance with International Financial Reporting Standards (“IFRS”). The Other Expenses as described above will be allocated to each Segregated Portfolio *pro rata* based on the respective Net Asset Values as of the beginning of each month. The Board may decide upon its own discretion to allocate certain costs directly to one or more Segregated Portfolios, or Classes of Segregated Portfolio Shares.

The Board may elect to modify its treatment of costs and expenses in accordance with the needs of the Fund, including, without limitation, the amortization of organizational costs and expenses over a period of up to thirty-six (36) months. In such case, an IFRS exception may be taken.

Hedging Expenses. The cost of any currency risk management strategy which may be utilized by the Fund with respect to certain Classes of Segregated Portfolio Shares and the expenses of any counterparty will be borne by the Shareholders of such Classes of Segregated Portfolio Shares.

Risk Factors

An investment in a Segregated Portfolio is speculative and involves a high degree of risk. There is no assurance that a Segregated Portfolio will be profitable or that an investor will not lose some or all of its investment in a Segregated Portfolio. Past results of an Underlying Fund or a Segregated Portfolio or the Fund or the Investment Manager, or its affiliates, are not indicative of future results. The risks of an

investment in a Segregated Portfolio include, but are not limited to, the speculative nature of the Underlying Fund's strategies and the charges that the Fund with respect to the Segregated Portfolio will incur regardless of whether any profits are earned (as applicable). In addition, an investment in a single Segregated Portfolio will generally expose the investor to the risks of investing in a single Underlying Fund; there is therefore a lack of diversification of different underlying hedge funds. In the event that a Segregated Portfolio invests in Underlying Funds, the success of the Segregated Portfolios will depend largely upon the ability of the Investment Manager to select such Underlying Funds. There is no assurance that the strategies employed by Underlying Funds will achieve attractive returns or be successful.

See "RISK FACTORS." The Fund is also subject to certain conflicts of interest. See "CONFLICTS OF INTEREST."

Fiscal Year-End

The Fund's fiscal year-end is December 31st of each calendar year.

Tax Status

Under current law, the Fund will not be subject to any British Virgin Islands taxation. Certain dividend income, interest income (if any), and certain capital gains income realized by the Fund may be subject to income or withholding taxes in the jurisdiction of the source of such income. See "TAXATION."

Reporting

Annual audited financial statements will be prepared in U.S. Dollars within six months after the Fund's fiscal year-end. Shareholders will also receive a monthly statement of the Net Asset Value from the Administrator.

Other Agreements

The Fund has the authority to create additional Segregated Portfolios and Classes of Segregated Portfolio Shares within existing or additional Segregated Portfolios and enter into letter agreements or other similar agreements (collectively, "Other Agreements") with one or more Shareholders which provide such Shareholders with additional and/or different rights (including, without limitation, with respect to access to information, minimum investment amounts, and liquidity terms) than other Shareholders. In general, the Fund will not be required to notify any or all of the other Shareholders of any such Other Agreements or any of the rights and/or terms or provisions thereof, nor will the Fund be required to offer such additional and/or different rights and/or terms to any or all of the other Shareholders.

Transfers

Subject to the prior approval of the Board, Segregated Portfolio Shares may be transferred except: (i) where the holding of such Segregated Portfolio Shares may result in regulatory, pecuniary, legal, taxation or material administrative disadvantage for the Fund or its Shareholders as a whole; or (ii) to maintain a minimum holding per Shareholder, as specified in this Memorandum.

Re-domiciliation

The Fund has the authority to re-domicile into a jurisdiction other than the British Virgin Islands and continue as a Fund incorporated under the laws of that other jurisdiction in the manner provided under those laws.

Functional Currency

The Fund's functional currency (i.e., the currency in which it maintains its books, records, and financial statements) is the U.S. Dollar.

Auditors

KPMG (BVI) Limited, an independent public accounting firm, has been retained to audit the annual financial statements of the Fund.

DIRECTORY

Fund's Registered Office

Antarctica Alpha Access Portfolio SPC Ltd.
Harneys Corporate Services Limited
Craigmuir Chambers
PO Box 71
Road Town, Tortola
British Virgin Islands

Directors

Hernán López Mazzeo
Guido Braem
Fernando Moncho Lobo

Administrator and Registrar and Transfer Agent

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Custodian

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Auditor

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PO Box 4467
3rd Floor, Banco Popular Building
Road Town, Tortola VG-1110
British Virgin Islands
Telephone: (284) 494-1134

Legal Advisor on British Virgin Islands Law

Harney Westwood Riegels
Craigmuir Chambers
PO Box 71
Road Town
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British Virgin Islands
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Facsimile: (284) 494-3547

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ANTARCTICA ALPHA ACCESS PORTFOLIO SPC LTD.

THE FUND

This Confidential Information Memorandum (the “Memorandum”) and its Supplements relate to the offer of Segregated Portfolio Shares in Antarctica Alpha Access Portfolio SPC Ltd. (the “Fund”), an open-end investment company which was incorporated as a segregated portfolio company under the laws of the British Virgin Islands on 19 July 2013. Pursuant to its Memorandum of Association and Articles of Association the Fund is a single corporate entity with the benefit of statutory segregation of assets and liabilities between the Segregated Portfolios.

The Fund is a "professional fund" within the meaning of SIBA and, accordingly, Segregated Portfolio Shares in the Fund are only being offered to and will only be issued to Professional Investors within the meaning of SIBA.

A Professional Investor is defined by SIBA as a person:

- (a) whose ordinary business involves, whether for that person's own account or the account of others, the acquisition or disposal of property of the same kind as the property, or a substantial part of the property, of the Fund; or
- (b) who has signed a declaration that he, whether individually or jointly with his spouse, has net worth in excess of one million dollars in the currency of the United States of America or its equivalent in any other currency and that he consents to being treated as a professional investor.

The Fund intends to launch several Segregated Portfolios; each of which will generally issue classes of participating, redeemable, non-voting shares per Segregated Portfolio (the “Segregated Portfolio Shares” or the “Segregated Portfolio Participating Shares”) pursuant to the relevant Supplement.

See “SEGREGATED PORTFOLIO SHARES OF THE FUND – The Fund’s Share Capital” herein and the relevant Supplements for a description of the Segregated Portfolios and Classes of Segregated Portfolio Shares being offered.

The Fund may offer additional Classes of Segregated Portfolio Shares on different terms than the Segregated Portfolio Shares pursuant to different offering documents. Upon acquiring such Segregated Portfolio Shares and being entered as shareholders in the register of shareholders of the Fund, investors become shareholders in the Fund (the “Shareholders”). The purchase price per Share for each Class of Segregated Portfolio Shares is U.S.\$100. Segregated Portfolio Shares may be issued for cash, or in the Board’s discretion, for other non-cash consideration (or a combination of both).

Expenses of the Fund are allocated among the Segregated Portfolio Shares and Classes of Segregated Portfolio Shares (as the case may be) of which they form a part at the discretion of the Fund’s Board of Directors (the “Board” or the “Directors”). The Net Asset Value (as defined herein) of each Class of Segregated Portfolio Shares will be calculated separately, and Segregated Portfolio Shares of a particular Class will be redeemed at the Net Asset Value of that Class of Segregated Portfolio Shares at the relevant time. For limitations of such a corporate structure as regards to the liabilities of the Fund and its Segregated Portfolios, please see “RISK FACTORS” herein.

The operating history of the Fund is available in the published annual reports and accounts of the Fund, copies of which are available from the Administrator upon request.

INVESTMENT PROGRAM

Investment Objective

The overall investment objective of the Fund is to allow Eligible Investors (as defined in this Memorandum) access to a group of investment funds, mainly hedge funds, selected by the Investment Manager that individually and as a portfolio may offer investors the opportunity to capture attractive returns with limited correlation to traditional equity and bond markets over a market cycle.

Each Segregated Portfolio generally invests substantially all of its assets primarily in a single hedge fund managed or investment fund by an independent fund manager, (the “Underlying Fund”). In certain circumstances, a Segregated Portfolio may allocate all or a significant part of its assets to more than one Underlying Fund, as set out in the relevant Supplement. Details of each Underlying Fund and its investment strategy are disclosed in the Supplement related to that Segregated Portfolio. A Segregated Portfolio may from time to time invest directly in a wide range of instruments and markets, including, but not limited to, preferred stocks, warrants, bonds, equity-related instruments, currencies; financial commodities such as futures and options related to commodities; and derivatives instruments, as disclosed in the relevant Supplement. There can be no assurance that the specific Segregated Portfolio and the Fund as a whole will achieve the proposed investment objective.

Investment Strategy

Unless otherwise disclosed in the relevant Supplement, the Fund generally seeks to accomplish its objective by selecting Underlying Funds for each of the Segregated Portfolios that the Investment Manager believes have compelling track records. In addition, the Investment Manager will conduct such procedures and analysis of business risk, operational risk and investment risk to ensure that the Underlying Funds and the respective managers meet the required standards. However, the Investment Manager and the Fund cannot give any assurance that the past performance of the Underlying Funds will persist in the future, or that their managers will continue to meet the required standards with respect to their business, operational and investment risk in the future.

The Fund generally launches Segregated Portfolios in respect of Underlying Funds that offer investors a range of exposure not only by manager but also by investment strategy and style. . In that regard, the Investment Manager looks to select Underlying Funds which follow different investment strategies, including, but not limited to, multi-strategy, arbitrage, macro, event driven, credit, equity long short and distressed. In addition, each Underlying Fund will offer differentiated exposure in terms of directionality, volatility, correlation to equity, correlation to credit, leverage and liquidity.

Each Segregated Portfolio may invest directly or through one or more Underlying Funds in a wide range of instruments and markets, including, but not limited to, global equities, both public (listed on securities markets and exchanges around the world) and private, equity-related instruments, such as preferred stocks, warrants and convertible securities; fixed income and other debt-related instruments, whether or not investment grade, including debt securities and bonds of governments, their agents and instrumentalities, commercial paper issued by international companies and banker’s acceptances and certificates of deposit issued by banks and credit institutions; currencies; financial commodities such as futures and options related to commodities; and derivatives instruments. In addition, Underlying Funds

may utilize both over-the-counter and exchange traded instruments (including derivatives instruments such as swaps, futures, options and forward agreements), trade on margin and engage in short sales.

Investment Policies

Consistent with the general investment objectives discussed above, the Investment Manager has full discretion to carry out the investment program of the Fund and to select Underlying Funds for each Segregated Portfolio (as applicable) as well as discretion to adjust the percentage of allocation of capital to each Underlying Fund. Under certain circumstances, the Investment Manager may choose to allocate the assets of a Segregated Portfolio to more than one Underlying Fund, the details of which will be disclosed in the relevant Supplement of the Segregated Portfolio.

The Investment Manager shall have full discretion to reduce the allocation to any one particular Underlying Fund (as applicable) and to return all capital to Shareholders of that particular Segregated Portfolio. Because of the Fund's ability to borrow (see below paragraph), the percentage of assets allocated to an Underlying Fund could vary between 100% (one hundred per cent) and 0% (zero per cent), although it is anticipated that the Investment Manager will target an approximate allocation of 95% (ninety five per cent) of the assets of a Segregated Portfolio to an Underlying Fund if borrowing is not utilized.

Borrowing

The Fund, for the account of a Segregated Portfolio, may utilize a borrowing facility with one or more reputable banks or credit institutions to pay fees, expenses, manage a currency hedging program if necessary and to assist with cash management with the sole purpose of managing allocation of capital to the Underlying Fund (as applicable) to approximately 100% (one hundred per cent), it is not intended that the level of exposure to the Underlying Fund through the use of borrowing will exceed 135% (one hundred and thirty five per cent). The borrowing may be secured against the assets of the Fund or may be unsecured.

Currency Hedging and Conversion of Currencies; Segregated Portfolio Hedging

Each Segregated Portfolio may utilize certain hedging strategies to manage the currency risk for Classes of Segregated Portfolio Shares denominated in currencies other than the currency of one or more Underlying Funds (as applicable) as set out in the applicable Supplement. The Fund may also purchase forward currency contracts or other instruments to hedge against fluctuations in currency exchange rates. The hedging strategies, to the extent used, will seek to protect Shareholders from depreciation of the Fund's investments caused by fluctuating currency exchange rates.

The Class or Classes of Segregated Portfolio Shares for which the hedging is sought will bear the risks and expenses associated with the currency hedging program. See "RISK FACTORS."

Use of Cash and Cash Equivalents

Each Segregated Portfolio may hold cash or invest in cash equivalents for short-term investments. Among the cash equivalents in which the Fund may invest are: obligations of the U.S. Government, its agencies or instrumentalities (U.S. Government Securities; U.S. Treasury Bills); securities issued or guaranteed by the governments, of member states of the European Union ("E.U.") of the Organization For Economic Co-operation and Development, their agencies or instrumentalities, or by the World Bank, the European Investment Bank, the International Bank for Reconstruction and Development or the European Bank for Reconstruction and Development, commercial paper; and repurchase agreements, money market mutual funds, certificates of deposit and bankers' acceptances issued by domestic branches

of U.S. banks that are members of the Federal Deposit Insurance Corporation; and deposits issued or guaranteed by (i) an E.U. credit institution; (ii) a bank authorized in a member state of the E.U. or a member state of the European Economic Area (Norway, Iceland, Liechtenstein); (iii) a bank authorized by a signatory state to the Basic Convergence Agreement of July 1988; or (iv) the Custodian.

Changes to the Fund Investment Strategy or Investment Policy

The Fund's investment strategy and investment policy is very broad and gives full discretion to the Investment Manager to invest in Underlying Funds and other assets. Other than as set out in the Memorandum, there are no restrictions on the types of assets in which the Fund may invest. As such, the Investment Manager may change the investment strategy or investment policy at any time without recourse to investors in the Fund. The Fund will promptly notify investors of any material changes to the Fund's investment strategy or investment policy in accordance with applicable law.

MANAGEMENT

Board of Directors

The Board of Directors of the Fund (the “Board” or the “Directors”) consists of three (3) Directors, each of whom serves in accordance with the laws of the British Virgin Islands and in accordance with the Fund’s Memorandum and Articles of Association. The Directors are Hernán López Mazzeo, Guido Braem and Fernando Moncho Lobo. The Directors will be paid remuneration for their service as a Director to the Fund equal to U.S.\$12,500 per annum, which may be waived in the Directors’ sole discretion. The Directors will not be subject to any mandatory age of retirement.

Hernán López Mazzeo acts as board member and General Counsel of Antarctica Asset Management Ltd. Prior to his engagement with Antarctica, he was a partner at the law firm Estudio Bosch in Buenos Aires, Argentina.. From May 1999 until March 2003, he was a senior associate at Estudio O’Farrell in Buenos Aires, Argentina where he developed an expertise in capital markets and banking. He was previously a foreign associate at the New York office of the international law firm Morgan Lewis & Bockius LLP in the Latin America practice group. In 1998, Mr. López Mazzeo was assigned to the London office of Morgan, Lewis & Bockius as a member of the Finance and Corporate group. Mr. López Mazzeo received a degree in law from Universidad de Buenos Aires, Argentina in 1994, and a Masters Degree in Law and Economics from Universidad Torcuato di Tella, Buenos Aires, Argentina in 2000.

Guido Braem serves on the Board of the Fund as independent director. Guido has worked in the financial services industry for over 15 years. He has been involved in private investment management since leaving his role as a Proprietary Trader at Fortis Bank in Brussels. He previously worked for ABN AMRO (from 1996 to 2003) in Brussels, Amsterdam and London where he was Head of Government Bond Trading and Head of Proprietary Risk Taking. He initially joined JP Morgan in Brussels where he worked as the Head of Back Office.

Fernando Moncho Lobo is an independent director of the Fund. Mr Moncho Lobo currently pursues US related investment activities for his family's portfolio. Prior to his current activities and through December 2015, he was the partner in charge of Antarctica Asset Management (UK) LLP, Antarctica’s London operation. He co-founded the Antarctica group of companies in 2001. He previously worked for JP Morgan & Co (“JPMorgan”) in New York (1992 - November 2000). Mr. Moncho Lobo’s last position was as a Vice President in the Equity Derivatives Group, where he structured and marketed equity derivatives products to U.S. corporations. He previously headed the

team marketing equity derivatives to Latin American clients. Between 1994 and 1995, Mr. Moncho Lobo was part of the Telecommunications, Media and Technology team in JP Morgan's Investment Banking group, where he was responsible for the execution of transactions in Latin America and Europe, and where he worked on developing the firm's industry effort in the Asia Pacific region. Mr. Moncho Lobo holds a B.A. Degree with Honors in Economics from the University of North Carolina at Chapel Hill.

The Directors are entitled for reimbursement from the Fund for reasonable out-of-pocket expenses incurred by them on behalf of the Fund. The business address of all of the Directors for the purposes of the Fund is the registered office of the Fund.

Investment Manager

Antarctica Asset Management, Ltd. (the "Investment Manager"), a BVI business company incorporated under the laws of the British Virgin Islands on May 21, 2001, manages the Segregated Portfolio assets of the Fund pursuant to an investment management agreement between the Fund and the Investment Manager dated as 31 July 2013 (the "Investment Management Agreement"). The Investment Manager is exempt from certain disclosure and reporting requirements with respect to the Fund pursuant to Section 4.7(b) of the regulations under the Commodity Exchange Act, as amended ("CEA"). The Investment Manager is also licensed to carry on business as a manager of mutual funds pursuant to SIBA. The Investment Manager is the Fund's alternative investment fund manager, or AIFM, for the purposes of the European Directive on Alternative Investment Fund Managers (2011/61/EU) (the "AIFMD").

Generally, the Segregated Portfolios managed by the Investment Manager seek absolute returns through diversified portfolios of Underlying Funds with varying degrees of targeted volatility and risk. However, the Segregated Portfolios may from time to time seek absolute return by investing directly in securities and other assets. The Investment Manager may utilize the services of third parties with respect to certain investment advisory activities relating to the Fund.

Investment Management Agreement. Pursuant to the terms of the Investment Management Agreement, the Investment Manager has agreed, *inter alia*, to manage all aspects of the Fund's investment operations. The Investment Manager may delegate any or all of its duties pursuant to the Investment Management Agreement. As at the date of this Memorandum, the Investment Manager has not delegated the portfolio or risk management of the Fund to any other person.

The Investment Management Agreement provides that the Investment Manager shall not be liable to the Fund in respect of a Segregated Portfolio or to the Shareholders of that Segregated Portfolio for any error of judgment or for any loss suffered by the Fund in respect of that Segregated Portfolio or the Shareholders of that Segregated Portfolio in connection with its services in the absence of gross negligence or fraud in the performance or non-performance of its obligations or duties. The Investment Management Agreement contains provisions for the indemnification of the Investment Manager by the Fund in respect of a Segregated Portfolio against liabilities to third parties arising in connection with the performance of its services in respect of a Segregated Portfolio, except under certain circumstances specified as per the Investment Management Agreement. Notwithstanding any of the foregoing to the contrary, the liability provisions of the Investment Management Agreement shall not be construed so as to relieve (or attempt to relieve) the Investment Manager of any liability to the extent (but only to the extent) that such liability may not be waived, modified or limited under applicable law (including liability under U.S. securities laws which, under certain circumstances, impose liability even on persons acting in good faith), but shall be construed so as to effectuate the liability provisions to the fullest extent permitted by law.

The Investment Management Agreement has an initial term expiring on December 31, 2017, which will be automatically renewed for successive five-year periods, subject to termination by any party at any time upon not less than ninety (90) days' prior written notice to the other party.

The Investment Manager will use its best efforts in connection with the purposes and objectives of the Fund and its Segregated Portfolios; will devote so much of its time and effort to the affairs of the Fund and its Segregated Portfolios, as may, in its judgment, be necessary to accomplish the purposes and objectives of the Fund; and implement policies and procedures for managing conflicts, ensuring the Fund and investors are not charged undue costs and ensuring fair and correct valuation systems, amongst others, in each case to ensure that investors in the Fund are treated fairly. However, it should be noted that the Investment Manager (or its principals, affiliates, or employees) may conduct any other business, including any business within the securities industry.

The Investment Manager, its respective affiliates, principals and employees may engage or participate in other activities or ventures, whether or not of the same nature as the Fund. No Shareholder shall be entitled to any profits that the Investment Manager, any of its affiliates, principal or employees shall derive from any activities or ventures other than those derived from the Fund, whether or not such businesses or ventures are of the same nature as, and/or compete with the Fund. As a result of its other activities, the Investment Manager may have conflicts of interest in allocating time, services and functions among the Fund and other business ventures. See "RISK FACTORS."

See "FEES AND EXPENSES" herein for a description of the fees payable to the Investment Manager pursuant to the Investment Management Agreement.

Administrator

Citco Fund Administration (Cayman Islands) serves as the administrator of the Fund (the "Administrator") pursuant to an administration agreement dated as of 31 July 2013 (the "Administration Agreement"). The Administrator was incorporated in Cayman Islands as a limited liability company. The Administrator holds a full Mutual Fund Administrators license under the Mutual Funds Law of the Cayman Islands and is regulated by the Cayman Islands Monetary Authority.

The Administrator may delegate certain services to its affiliate, Citco Fund Services (Ireland) Limited, which is authorized by the Central Bank of Ireland to provide fund administration services under the Investment Intermediaries Act, 1995.

Pursuant to the Administration Agreement, the Administrator will be responsible, under the ultimate supervision of the Fund's Board of Directors, for matters pertaining to the administration of the Fund, namely: (a) maintaining the accounting books and records of the Fund, calculating the Net Asset Value of the Fund and preparing monthly financial statements; (b) maintaining the financial books and records of the Fund; (c) providing registrar and transfer agent services in connection with the issuance, transfer and redemption of the Segregated Portfolio Shares; and (d) performing other administrative and clerical services necessary in connection with the administration of the Fund. The Administration Agreement may be terminated by either party upon not less than ninety (90) days' written notice to the other party.

The Administration Agreement provides that in the absence of negligence, fraud or willful misconduct, the Administrator will not be liable to the Fund or the Shareholders, and will be indemnified by the Fund against liabilities to third parties in connection with the performance of its services.

The Administrator is a service provider to the Fund and does not have any responsibility or authority to make investment decisions, nor render investment advice, with respect to the assets of the Fund. The Administrator has no responsibility for monitoring compliance by the Fund or the Investment Manager with any investment policies or restrictions to which they are subject. The Administrator accepts

no responsibility or liability for any losses suffered by the Fund as a result of any breach of such policies or restrictions by the Fund or the Investment Manager. The Administrator is a service provider to the Fund and is not responsible for the information in, or preparation of, this Memorandum. The Administrator is not an auditor and does not provide any tax, accounting or auditing advice or assistance, nor is it a fiduciary to the Fund, the Investment Manager or the Fund's investors.

See "FEES AND EXPENSES" herein for a description of the fees payable to the Administrator pursuant to the Administrative Services Agreement.

Custodian

Citco Global Custody N.V. (the "Custodian") will provide the Fund with custodial services, and Citco Bank Nederland N.V., (Dublin branch) (the "Bank") will provide the Fund with brokerage services pursuant to a brokerage and custody agreement among them and the Fund dated 31 July 2013 (the "Brokerage and Custody Agreement").

The Custodian was established in Amsterdam in April 1986 and has, as at the date of this document, assets under custody of approximately U.S.\$200 billion. All of the securities of the Fund shall be held by the Custodian and shall be segregated from the Bank's assets. The securities of the Fund shall be clearly identified in the books of the Custodian as belonging to the Fund.

Sub-custodians may be appointed by the Bank and/or the Custodian. To the date of this Memorandum, the Custodian has appointed Clearstream Banking SA, Euroclear SA/NV and JP Morgan Chase & Co. as sub-custodians to provide custody and settlement services and UBS AG to provide custody and brokerage services. The Investment Manager is not aware of any conflict of interests which may arise from the appointment of the sub-custodians. The Bank and/or Custodian shall not be responsible for any act or omission or for the solvency of any sub-custodian, agent or third party where the Bank and/or the Custodian is either compelled or directed to appoint a sub-custodian by the Fund, the underlying securities or applicable law. The Bank and/or the Custodian will not be liable for any act or omission or for the solvency of any sub-custodian, agent or third party provided that due care was taken by the Bank in the selection and ongoing monitoring of any such sub-custodian. Furthermore, the Custodian may appoint sub-custodians to provide custody for assets of an applicant, provided that the Custodian shall exercise reasonable skill, care and diligence in the selection of a suitable sub-custodian and shall be responsible to the Fund for the duration of the sub-custody agreement for satisfying itself as to the ongoing suitability of the sub-custodian to provide custodial services to the Fund. The Custodian must maintain an appropriate level of supervision over the sub-custodian(s), if any, and make appropriate enquiries, periodically, to confirm that the obligations of the sub-custodian(s) continue to be competently discharged. None of the Custodian, the Bank or any sub-custodian has the right to transfer or reuse the Fund's assets.

Under the Brokerage and Custody Agreement, the Custodian will not be liable to the Fund for any loss or damage which the Fund may sustain as a result of any act or omission by the Custodian or its servants, agents or delegates in the course of the services performed pursuant to the Brokerage and Custody Agreement in the absence of willful default, fraud or negligence. The Fund has generally agreed to indemnify the Custodian against all liabilities, obligations, losses, damages, costs and expenses incurred by the Custodian in the performance of its duties under the Brokerage and Custody Agreement performed in good faith, excluding matters arising by reason of its willful misfeasance, fraud, bad faith, negligence or reckless disregard.

The Brokerage and Custody Agreement provides that the appointment of the Custodian will continue in force unless and until terminated by either party giving to the other not less than ninety (90) days' prior written notice. In certain circumstances (for example, the insolvency of either party, unremedied breach after notice, etc.), the Brokerage and Custody Agreement may be terminated with a shorter notice period.

Neither the Bank, nor the Custodian acts as sponsor of the Fund or assumes special controlling duties other than those related to its custody and brokerage functions. Neither the Bank, nor the Custodian warrants the contents of this document except insofar as it relates to information applicable to it and neither is involved in the management or administration of the Fund or in the calculation of its Net Asset Value.

The Fund reserves the right to change the custodial and/or brokerage arrangements described above by agreement with the Custodian and/or the Bank as appropriate and/or, in its discretion, to replace such Custodian and/or Bank upon receiving prior approval for such appointment by the Irish Stock Exchange.

See “FEES AND EXPENSES” herein for a description of the fees payable to the Custodian pursuant to the Brokerage and Custody Agreement.

The Investment Manager will satisfy itself that adequate custody arrangements have been entered into by the Underlying Fund in which the assets of the Fund have been invested (as applicable).

Derivatives. The Custodian will not be responsible for the safekeeping and custody of any non-securitized derivative contracts (i.e.: derivative contracts that do not take the form of a freely transferable contract⁷) that the Fund enters into with a particular counterparty nor to the related Derivative Cash Position⁸ held with that counterparty.

In relation to the Fund’s non-securitized derivatives, an amount of the Derivative Cash Position that is, in aggregate, at least equivalent to the Fund’s exposure to the relevant counterparty, will be held with such counterparty, will be held in a manner that meets the following requirements:

(A) to the extent that the relevant portion of the Derivative Cash Position consists of cash, it is (i) subject to the requirements for holding client money set out in Chapter 4 of the FCA’s client assets sourcebook (CASS) or to equivalent or similar levels of protection under the rules of the CFTC, or another Recognized Regulatory Authority⁹ or; (ii) held with a counterparty which satisfies the Financial Resources Requirement and the Specified Credit Rating Requirement¹⁰ or:

(B) to the extent that the relevant portion of the Derivative Cash Position consists of items other than cash, it is (i) held such that the Fund retains beneficial ownership of the Liquid Assets¹¹ comprised in the Derivative Cash Position and therefore does not take credit risk in respect of such Liquid Assets on the counterparty or other person with which they are held or; (ii) held with a counterparty which satisfies the Financial Resources Requirement and the Specified Credit Rating Requirement.

⁷ Conversely, the term “Securitized Derivative” shall mean a derivative contract that takes the form of a freely transferable contract.

⁸ “Derivative Cash Position” shall mean the Fund’s Liquid Assets that are held or recorded in an account with a counterparty to a Derivative Contract (to which the Fund is also party) for the purposes of, or in connection with, the Fund’s derivatives trading with that counterparty including, without limitation, any margin transferred to such counterparty to collateralize the Fund’s trading in Derivatives Contracts and any profits held in an account with the counterparty that have been realized from previous trading in Derivatives Contracts.

⁹ “Recognized Regulatory Authority” shall mean any regulatory authority which is charged with the regulation and supervision of financial services firms under the law of any E.U. Member State and any of the following countries: Australia, Canada, Hong Kong, Japan, Singapore, Switzerland, United States, and any other jurisdiction specified for these purposes by the Irish Stock Exchange from time to time.

¹⁰ “Specified Credit Rating Requirement” shall mean in relation to a legal person, a requirement either that such person or that a parent company of such person has the Specified Credit Rating.

¹¹ “Liquid Assets” shall mean cash, cash equivalents, money market instruments and other transferable financial instruments which are sufficiently liquid that, during normal business hours in the relevant market, they are usually capable of being sold at close to their mid-market value on an intra-day basis.

In addition, the Fund may enter into non-securitized derivatives whose related Derivative Cash Positions are not held in accordance with the above criteria provided that the Fund's aggregate exposure to the relevant counterparties under such non-securitized derivatives is less than twenty percent (20%) of the value of its gross assets.

In relation to all of the Fund's non-securitized derivatives:

- (A) the Directors will take all reasonable steps to ensure that the amount of Liquid Assets that the Fund holds with any counterparty does not exceed the level that the Directors reasonably consider to be prudent, having regard to the counterparty's creditworthiness.
- (B) the Administrator will carry out a periodic verification and reconciliation of the Fund's positions in all non-securitized derivatives on a quarterly basis at the same time as the Net Asset Value of the Fund is calculated, the Directors have determined that, in their opinion, the Administrator is a suitable entity to perform this function and will be responsible for determining that, in their opinion, it continues to be so suitable on an ongoing basis; and
- (C) in the case of non-securitized derivatives that are OTC derivative positions, the Administrator will verify the value of such positions on at least a quarterly basis and for this purpose, to the extent that such value is obtained from the relevant counterparty, will ensure that the value is communicated directly to it by that counterparty. The Directors will take all reasonable steps to ensure that (i) the policies and procedures to be applied by the Administrator in verifying such value, (ii) the Fund's procedures for monitoring the activities of the Administrator and (iii) the risks inherent in the Fund's OTC derivative positions are, and will at all times remain, appropriate.

FEES AND EXPENSES

Organizational Costs

All costs and expenses associated with the organization of the Fund, including government incorporation charges and professional fees (including legal, audit and administrative) and expenses in connection with the preparation of the Fund's offering documents, including the Segregated Portfolio documents, and the preparation of its basic corporate and contract documents were paid by the Fund and were being amortized over a thirty-six (36) month period and charged to the Segregated Portfolios on a proportional basis based on their respective Net Asset Values as of the beginning of each month. Any additional launch costs of new Segregated Portfolios will be amortized and charged over a thirty six (36) month period and charged to the Segregated Portfolios on a proportional basis based on their respective Net Asset Values as of the beginning of each month.

Management Fee

The Investment Manager receives, on a monthly basis, asset-based fees for each Class of Segregated Portfolio Shares of each Segregated Portfolio, as set out in the relevant Supplement (collectively, the "Management Fee"). The Management Fee is based upon the sum of the applicable Classes of Segregated Portfolio Shares' Net Asset Values as of the last calendar day of the preceding month, or at any other relevant time as the Net Asset Value may be calculated. The Investment Manager

may, in its sole discretion, waive all or part of the Management Fee with respect to any Shareholder, by rebate or otherwise.

Payment of the Management Fee. The Management Fee is payable by the Fund in respect of each Segregated Portfolio on a *pro rata* basis in arrears. The Management Fee is payable by the Fund to the Investment Manager within ten (10) days after it becomes due.

Performance Fee

The Investment Manager may receive a performance-based fee, as disclosed in the relevant Supplement of a Segregated Portfolio.

Administration Fee

In consideration of the services performed by the Administrator for the Fund, the Administrator receives an asset-based fee equal to seven (7) basis points per annum on net assets up to US\$52,000,000, and five (5) basis points per annum on net assets in excess of US\$ 52,000,001, payable by the Fund. In addition, the Administrator is entitled to be reimbursed by the Fund or a broker of the Fund for expenses, including professional and accounting fees, telephone, photocopy, fax and courier charges.

Custodial Fees

Custodial fees include, but are not necessarily limited to, financing charges and transaction and custody fees. The Custody fee is charged quarterly at a rate of two and one-half (2.5) basis points per annum of the average holdings over the preceding three months. Transaction costs will vary depending on the type of investment. The compensation provisions of such agreements may be amended from time to time as circumstances dictate. As stated herein, the Fund is not committed to continuing its custodian relationship with the Custodian for any minimum period of time and may replace the Custodian at the discretion of the Board. The Investment Manager has complete discretion in negotiating the rates of compensation with respect to the management of the Segregated Portfolios' assets.

Expenses Relating to Hedging Strategies

The cost of any currency-risk-management strategy utilized by the Fund with respect to one or more Classes of Segregated Portfolio Shares, including costs, expenses, commissions and fees of the counterparty will be borne by Shareholders holding such Classes of Segregated Portfolio Shares.

Other Operating Expenses

All ongoing costs and expenses associated with the administration and operation of the Fund, including Independent Client Representative's fees, Administration and Custodial fees, indirect fees of investments in other funds, brokerage commissions, directors' fees, insurance premiums, printing costs, costs of trading equipment and price quotation services and all accounting (and audit) and legal fees in relation to the affairs of the Fund will be borne by the Segregated Portfolios (and may be amortized or, alternatively, accounted for on a current basis). Each Director of the Fund may receive fees from the Fund for serving in such capacity. All Directors will receive reimbursement of travel and other reasonable costs incurred in connection with their services. Each Segregated Portfolio will bear its *pro rata* share of the fees and expenses and allocate such share to each Class of Segregated Portfolio Shares on a *pro rata* basis, calculated on the respective Net Asset Value of each Segregated Portfolio as of the last calendar day of each month. The Directors may allocate expenses incurred in respect of a specific Segregated Portfolio and not allocate them to all Segregated Portfolios in their sole discretion.

Except as otherwise provided herein, the Investment Manager shall bear all of its own costs and expenses incurred in the performance of its services provided pursuant to the Investment Management Agreement, including those attributable to such office personnel, office space, office equipment and office services as may be required. Notwithstanding the foregoing, the Segregated Portfolios will pay all reasonable legal, auditing, administrative, consultant and other out-of-pocket expenses of the Investment Manager, including travel and travel-related expenses incurred in connection with the performance of its duties for the Fund.

Underlying Fund Fees

Each Underlying Fund (as applicable) will be subject to management fees, performance fees, as well as other fees and charges to be levied by the manager of each Underlying Fund and its delegates. The management fees and the performance fees payable by each Underlying Fund (if any) will be disclosed in the Supplement of the respective Segregated Portfolio.

SEGREGATED PORTFOLIO SHARES OF THE FUND

The Fund's Share Capital

Generally. The Fund is authorized to issue an unlimited number of shares, having no par value, being 100 (one hundred) voting, non-participating shares (the "Voting Shares") and an unlimited number of non-voting, Segregated Portfolio Participating Shares. The Voting Shares of the Fund are owned by the Investment Manager. The Segregated Portfolio Participating Shares are further divided into different share classes and series, as applicable. Each of the outstanding Segregated Portfolio Shares participate ratably with all other outstanding Segregated Portfolio Shares of the same Class of Segregated Portfolio Shares in the Fund's fees, expenses, assets and earnings with respect to such Class of Segregated Portfolio Shares. Fractional shares are permitted to three decimal points. Each of the Segregated Portfolio Shares has the redemption rights discussed herein. There are no outstanding options or any special rights relating to any Segregated Portfolio Shares, nor has it been agreed conditionally or unconditionally to put Segregated Portfolio Shares under option.

Each Voting Share has equal voting rights and each Segregated Portfolio Participating Share, including each Segregated Portfolio Participating Share in each Class (as the case may be), has equal dividend, distribution and liquidation rights, although Segregated Portfolio Participating Shares that are issued in a particular Class are subscribed for and redeemed in accordance with the Net Asset Value of the Segregated Portfolio Shares of that Class and, on a solvent winding up, surplus assets attributable to a particular Class of Segregated Portfolio Shares will be distributed to the holders of Segregated Portfolio Shares of that Class (as the case may be).

New Issues. Certain Classes of Segregated Portfolio Shares may directly or indirectly, through their investment in classes of shares of Underlying Funds, invest in "new issues" (as such term is defined in U.S. Financial Industry Regulatory Authority, Inc. ("FINRA") Rule 5130 as the same may be amended from time to time), as set out in the relevant Supplement of a Segregated Portfolio.

Additional Classes of Segregated Portfolio Shares. In addition to the Classes of Segregated Portfolio Shares being offered, the Fund from time to time may offer additional participating Segregated Portfolio Shares and Classes thereof that may have terms, conditions, fees and rights that differ from, and may be more favorable than, those applicable to other Classes of Segregated Portfolio Shares. Such

additional Classes may be offered in the sole discretion of the Board. Additionally, pursuant to the Memorandum and Articles of Association, the Board may, in their sole discretion, re-designate the un-issued Segregated Portfolio Shares of a given Class as Segregated Portfolio Shares of any other Class.

Segregated Portfolio Shares. The Fund shall create an account for each Segregated Portfolio and each Class of Segregated Portfolio Shares in turn. Investors shall provide consideration in exchange for Segregated Portfolio Shares issued in a Segregated Portfolio, and that consideration shall be used to make investments which shall be held specifically for that Segregated Portfolio. Profits and losses generated on those investments are applied solely to the account established for that Segregated Portfolio. Redemption proceeds, dividends and other distributions will be paid out of the assets allocated to the Segregated Portfolio on which such redemption, dividend or other distribution was made; liabilities of the Fund will be allocated to the Segregated Portfolio or Segregated Portfolios of shares to which they relate as far as possible. The purpose of the Fund being established as a segregated portfolio company is to enable the Fund to offer to investors investment opportunities in a number of differing investment strategies through a single entity, while maintaining legal separation of the profits and liabilities arising from one investment strategy from the profits and liabilities arising from the other investment strategies pursued by the Fund. The Fund is a single corporate entity with the benefit of statutory segregation of assets and liabilities between segregated portfolios, each of which segregated portfolio is described in this Memorandum as a “Segregated Portfolio.” The assets and liabilities attributable to each Segregated Portfolio are legally segregated from the assets and liabilities attributed to any other Segregated Portfolio, and are legally segregated from the assets and liabilities which are not attributable to any Segregated Portfolio (which comprise the general assets (hereinafter referred to as the “General Assets”) and liabilities of the Fund). The Directors have overall responsibility for the management and administration of the Fund and each Segregated Portfolio. Management of the assets attributed to each Segregated Portfolio and the General Assets, if any, of the Fund has been delegated by the Directors to the Investment Manager. Day-to-day administration of each Segregated Portfolio has been delegated to the Administrator. The Fund through each Segregated Portfolio allocates assets using such strategies required to meet each Segregated Portfolio’s investment objective. The Fund will wind-up in accordance with the terms and conditions set forth in the Memorandum and Articles of Association, as each may be amended or supplemented from time to time.

Segregated Portfolio Shares and Treatment of Liabilities. Shareholders of the Fund will hold Segregated Portfolio Shares which are only entitled to participate in the assets and liabilities of the Fund attributable to the Segregated Portfolio in respect of which such Segregated Portfolio Shares were issued. The Segregated Portfolio Shares do not entitle the holder to receive notice of, attend or vote on any resolution at meetings of the Shareholders save that certain rights attaching to each Class of Segregated Portfolio Shares may only be materially varied with the consent in writing of the holders of more than 75% (seventy five per cent) of the issued Segregated Portfolio Shares of that Class or with the sanction of a resolution passed at a duly convened and constituted separate meeting of the holders of the Segregated Portfolio Shares of such Class. Each Voting Share entitles its holder to one vote at meetings of Shareholders. The assets and liabilities of the Fund are either attributed by the Directors to a particular Segregated Portfolio or, where they are not so attributed or attributable, shall form part of the General Assets and liabilities of the Fund. A liability of the Fund to a person which arises from a matter, or is otherwise imposed, in respect of or attributable to a particular Segregated Portfolio, shall extend only to, and that person shall, in respect of that liability, be entitled to have recourse only to, firstly, the assets attributable to such Segregated Portfolio and, secondly, the Fund’s General Assets but only to the extent that the assets attributable to that Segregated Portfolio are insufficient to satisfy the liability and as otherwise set forth herein. For the avoidance of doubt, the liability shall not extend to, and that person shall not, in respect of that liability, be entitled to have recourse against, any of the assets attributable to any other Segregated Portfolio of the Fund. In the event that there is a deficit in the assets of one or more Segregated Portfolios of the Fund, the liability of the Fund to a person that arises from a matter, or is otherwise imposed, in respect of or attributable to such Segregated Portfolios may be satisfied out of, and that person shall be entitled to have recourse to, the Fund’s General Assets.

Temporary Suspension of Dealings and Determination of Net Asset Value

The terms and conditions related to temporary suspensions of dealing and determination of Net Asset Value for each Segregated Portfolio shall be described in more detail in the Supplement of each Segregated Portfolio. In general, however, the Board may temporarily declare a suspension of the determination of each of the Segregated Portfolios' Net Asset Value, or suspend in whole or in part the sale, allotment, issue or redemption of Segregated Portfolio Shares or payment on Segregated Portfolio Shares tendered for redemption during any period when in the opinion of the Board (in consultation with the Investment Manager):

- (a) One or more banks, stock exchanges or other markets which provide a basis for valuing a significant proportion of the assets of the Segregated Portfolio, or of one or more of the Underlying Funds(as applicable), are closed other than for or during holidays or if dealings therein are restricted or suspended;
- (b) As a result of political, economic, military or monetary events or any circumstances outside the control, responsibility and power of the Fund, disposal of the assets of the Segregated Portfolio is not reasonably practicable without being seriously detrimental to shareholders' interest or if for reasons of illiquidity or other restraints on realization of investments, moneys to meet redemption proceeds are not immediately available, or if, in the opinion of the Directors a fair price cannot be calculated for the assets of the Segregated Portfolio;
- (c) There is a breakdown of the means of communication normally used for the valuing of a significant proportion of the investments or assets of the Segregated Portfolio or if for any reason the value of any assets of the Segregated Portfolio may not be determined as rapidly and accurately as required;
- (d) As a result of exchange restriction or other restriction affecting the transfer of funds, transactions on behalf of the Segregated Portfolio are rendered impracticable or if purchases, sales, deposits, and withdrawals of the Segregated Portfolio's assets cannot be effected at the normal rates of exchange;
- (e) The Directors or the Shareholders adopt a resolution to liquidate and dissolve the Fund and each Segregated Portfolio ;
- (f) There is an event of default or delay in payments due to the Segregated Portfolio from banks, brokers, or Underlying Funds (as applicable);
- (g) If the Segregated Portfolio does not have sufficient liquidity in the assets attributable to the relevant Class or Classes of Segregated Portfolio Shares to discharge its liabilities' upon the requested redemption; and/or
- (h) The Directors, during any other period, at their discretion, determine it to be in the interests of the Shareholders.

Any such suspension of the determination of the Net Asset Value of any of the Segregated Portfolios shall be notified immediately to the Shareholders of the affected Segregated Portfolio without delay and all reasonable steps will be taken to bring any period of suspension to an end as soon as possible.

The Supplement of each Segregated Portfolio may contain specific and additional rights with respect to temporary suspensions of dealing and determination of the Net Asset Value for each Segregated Portfolio.

Voting and Other Rights

Subject to the exceptions set forth herein, all decisions of the Shareholders will be made by the holders of a majority of outstanding Voting Shares represented at a meeting, provided that a quorum of one-third of the outstanding Voting Shares are present in person or by proxy. Notwithstanding the foregoing, amendments to the Memorandum and Articles of Association which materially adversely vary the rights attached to a Class of Segregated Portfolio Shares must be approved in writing by the holders of not less than three-fourths of the issued Segregated Portfolio Shares of the relevant Class or with the sanction of a resolution passed at a separate meeting of the holders of the Segregated Portfolio Shares of such Class by a majority of three-fourths of the votes cast at such meeting. Any matter referred to herein may also be adopted by resolution in writing of all the affected Shareholders.

Registration and Transfer of Segregated Portfolio Shares;

In order to minimize administrative costs and to facilitate redemptions, no certificates will be issued for the Segregated Portfolio Shares and all Segregated Portfolio Shares will be held in registered form. Each investor will receive written confirmation from the Fund of the number of Segregated Portfolio Shares held by such investor within ten (10) Business Days of the relevant subscription date. In the case of the death of a joint holder, the survivor will be the only person recognized by the Fund as having any title to a Share. Transfers of Segregated Portfolio Shares to Restricted Persons (as defined herein) are prohibited.

Subject to the prior approval of the Board of the Fund, Segregated Portfolio Shares may be transferred except: (i) where the holding of such Segregated Portfolio Shares may result in regulatory, pecuniary, legal, taxation or material administrative disadvantage for the Fund or its Shareholders as a whole; or (ii) to maintain a minimum holding per Shareholder, as specified in this Memorandum.

SUBSCRIPTIONS

Generally

In order to subscribe for Segregated Portfolio Shares, prospective investors must complete the appropriate subscription documents (the "Subscription Document"), copies of which are available from the Administrator. Segregated Portfolio Shares may be purchased on the first Business Day of each calendar month and any other day approved by the Board in its sole discretion. Upon subscription, investors subscribing for Segregated Portfolio Shares will receive the Segregated Portfolio Shares with respect to the relevant Class.

The details of the subscription process for each Segregated Portfolio are generally described in more detail in the Supplement of each Segregated Portfolio. Unless otherwise disclosed in the relevant Supplement, completed subscription materials must be received by the Administrator by 11:59 pm (EST) at least five (5) Business Days prior to the subscription date on which prospective investors wish to subscribe for Segregated Portfolio Shares. Unless otherwise disclosed in the relevant Supplement, cleared funds must be in the Fund's account by 11:59 pm (EST) at least five (5) Business Days prior to the subscription date on which prospective investors wish to subscribe for Segregated Portfolio Shares. Each investor in the Fund shall become a Shareholder. See "ELIGIBLE INVESTORS."

The minimum initial investment in each Class of Segregated Portfolio Shares of each Segregated Portfolio is disclosed in the relevant Supplement; provided that, the initial investment in the Fund by each investor shall not be less than U.S.\$100,000 (or its equivalent in another currency). The

acceptance of subscriptions is subject to confirmation of the prior receipt of cleared funds credited to the Fund's subscription account and the receipt of completed subscription documents in a form acceptable to the Administrator.

The Fund reserves the right to reject subscriptions in its absolute discretion in whole or in part for any reason which may include limited capacity, in the sole opinion of the Investment Manager, in the Underlying Funds (as applicable). A purchaser acceptable to the Fund will be sold that number of Segregated Portfolio Shares (including fractional Segregated Portfolio Shares), which his subscription payment will purchase (to the extent accepted).

Subscriptions may be suspended under certain circumstances. See "SHARES OF THE FUND – Temporary Suspension of Dealings and Determination of Net Asset Value" and the relevant Supplement.

REDEMPTIONS

The details of the redemption terms for each Segregated Portfolio are described in more detail in the Supplement of each Segregated Portfolio. The redemption terms of each Segregated Portfolio will largely depend on the redemption terms of the respective Underlying Funds (as applicable). Except as provided herein, a Shareholder has the right to redeem its Segregated Portfolio Shares as described in the Supplement of each Segregated Portfolio, or at such other times as the Board determines in its sole discretion, at the then current Net Asset Value per Share or per Class of Segregated Portfolio Shares (as the case may be), less any redemption fees payable as disclosed in the Supplement of each Segregated Portfolio.

Please note that the Board has the discretion to redeem all Segregated Portfolio Shares in a particular Segregated Portfolio in the event that the Investment Manager has instructed redemption of shares of the Underlying Fund(s) (as applicable).

Subscription, redemption, transfer or other instructions (such as change of address) may be sent to the Administrator as a pdf attachment to an email at dubirorders@citco.com. In the event that instructions are submitted by mail or courier they should be sent to the Investor Relations Group of the Administrator at: Antarctica Alpha Access Portfolio SPC Ltd. c/o Citco Fund Services (Ireland) Limited, 3rd Floor, Tellengana House, Blackrock Road, Cork, Ireland.

Notwithstanding the method of communication, the Fund and/or the Administrator reserve the right to ask for the production of original documents or other information to authenticate the communication. In the case of mis-receipt or corruption of any message, the investor will be required to resend the documents. Emails sent to the Fund or the Administrator shall only be effective when actually acknowledged by the Fund or the Administrator. In the event that no acknowledgement is received from the Administrator within five (5) days of submission of the request, the investor should contact the Administrator by telephone at +353 21 483 6600 to confirm receipt by the Administrator of the request. The investor must use the form document provided by the Fund in respect of the subscription, redemption or transfer, unless such condition is waived by the Fund and/or the Administrator and messages sent via email must contain a duly signed document as an attachment.

DETERMINATION OF NET ASSET VALUE

In general, and unless otherwise described in the relevant Supplement, the Segregated Portfolio's net asset value (the "Net Asset Value") is equal to the Segregated Portfolio's assets, less liabilities, any accrued but unpaid expenses (including, without limitation, the Management Fee and Other Expenses) and reasonable reserves. Each Class's Net Asset Value per Share will be calculated by dividing the particular Class's Net Asset Value by the number of that Class's Shares then outstanding. The Net Asset Value of a Class of Segregated Portfolio Share is equal to that Class of Segregated Portfolio Share's Net Asset Value divided by the number of Segregated Portfolio Shares of that Class then outstanding.

The Administrator, after consulting with the Investment Manager, calculates the Net Asset Value of each of the Segregated Portfolios of the Fund, each Class of Segregated Portfolio Shares in the Fund (as applicable) in a commercially reasonable manner and in accordance with the Fund's Memorandum and Articles of Association. The Net Asset Value of each Segregated Portfolio of the Fund and each Class of Segregated Portfolio Shares, as applicable, will be calculated as of the last calendar day of each month, each redemption date and any other date when such computation is necessary or appropriate. Such calculations are made by the Administrator acting in good faith.

In no event will the Directors, the Administrator or the Investment Manager incur any individual liability or responsibility for any determination made or action taken or omitted by them in the absence of willful misfeasance, bad faith or gross negligence.

The Administrator, in consultation with the Investment Manager and the Directors, and pursuant to any policies established by the Board, will value the assets and liabilities of each of the Segregated Portfolios of the Fund as follows:

1. The value of the assets of each of the Segregated Portfolios of the Fund will be based on valuations supplied by the administrators and/or the managers of the Underlying Funds (as applicable) in accordance with the practices and policies of each such Underlying Funds. Such practices and policies may not be consistent.
2. All other assets and liabilities of each of the Segregated Portfolios of the Fund will be assigned such value as the Administrator, in consultation with the Investment Manager and the Directors, may reasonably determine.
3. If the Administrator, in consultation with the Investment Manager and the Directors, determines that any of the above valuation methodologies of any investments or other property does not fairly represent market value, the Administrator, in consultation with the Investment Manager and the Directors, shall value such securities or other property as it reasonably determines and will set forth the basis of such valuation in writing in the records of the Fund for such Segregated Portfolio.
4. All values assigned to securities and other assets and liabilities by the Administrator, in consultation with the Investment Manager and the Directors, will be final and conclusive. Valuations provided by the administrators of the Underlying Funds (as applicable) will not be subject to independent review or investigation by the Fund and the Fund, the Administrator and the Investment Manager are entitled to rely on such valuations without independent verification.

In determining the Net Asset Value of a Segregated Portfolio based upon the above parameters, the following will be subtracted: (a) Management Fees that have accrued, as of the date of computation, but are not yet payable; (b) an amount equal to the proportional cumulative monthly amortization of expenses and allocated costs; (c) an allowance for the proportional cost of the Fund's annual audit and legal fees; and (d) any contingency for which reserves are determined to be appropriate.

In computing the Net Asset Value in order to determine the Management Fee for a current period, (i) the Management Fees earned but not yet paid and (ii) such current Management Fee will be computed with regard to investment activity only and without reference to other expenses of the Fund. The Fund's auditors will be entitled to rely on invoices from others (including, without limitation, the Investment Manager) with regard to allocations of expenses.

Prospective investors should be aware that situations involving uncertainties as to the valuation of an Underlying Fund (as applicable) could have an adverse effect on the Net Asset Value determination of each of the Segregated Portfolios of the Fund if the valuation information reported by the Underlying Funds' administrators should be reported in an untimely manner or prove incorrect. Absent bad faith or manifest error, the Administrator's determination of the Net Asset Values is conclusive and binding on all Shareholders and prospective investors.

Statements sent to Shareholders reflecting the individual Net Asset Value of their Shares will be net of estimated accrued fees.

All fees, expenses and liabilities that are identified with a particular Segregated Portfolio or Class of Segregated Portfolio Shares may be charged against that Class in computing its Net Asset Value. Other fees and expenses such as amortized launch costs, administration, custody, sundry chargers, directors fees, audit fees, etc. will be allocated *pro rata* between the Segregated Portfolios and the respective Classes of Segregated Portfolio Shares based on their respective Net Asset Values as necessary.

The latest Net Asset Value of any given Class of Segregated Portfolio Shares is available from the Administrator on request.

RISK FACTORS

In evaluating the merits and suitability of an investment in the Fund, prospective investors should give careful consideration to several risk factors, as such factors relate specifically to the Segregated Portfolio Shares, or the Fund in general, as the context requires.

Although the following does not purport to be a comprehensive summary of all the risks associated with an investment in the Fund, the Fund and the Investment Manager encourage prospective investors to discuss these and all other risks in detail with their professional advisors. Each Segregated Portfolio will bare different risk factors, depending on the investment strategy they directly or, indirectly through their investment in Underlying Funds, implement, as contemplated in the relevant Supplement.

Segregated Portfolios

As a matter of British Virgin Islands law, the assets of one Segregated Portfolio are not available to meet the liabilities of another Segregated Portfolio established by the Fund. However, the Fund is a single legal entity which may operate or have assets held on its behalf or be subject to claims in jurisdictions other than the British Virgin Islands, the courts of which may not necessarily recognize such segregation of liabilities. There is no guarantee that the courts of any jurisdiction outside the British Virgin Islands will respect the statutory separation of liabilities between each Segregated Portfolio. The

statutory provisions which provide for segregation of the assets and liabilities between Segregated Portfolios within the Fund are untested in the courts of the British Virgin 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 event that the segregation of assets and liabilities between Segregated Portfolios is not recognized in any court proceedings involving a Segregated Portfolio there is a risk that creditors of one Segregated Portfolio in respect of liabilities attributable to such Segregated Portfolio may have recourse against the assets of another Segregated Portfolio.

Conflicts of Interest Between Segregated Portfolios

Directors owe their duties to the Fund generally, as well as to individual Segregated Portfolios. It is possible that conflicts will arise between different Segregated Portfolios in particular over participation in restricted investment opportunities, due to each Segregated Portfolio having the same Investment Manager and having similar investment strategies.

Differences in Net Asset Value Between Different Segregated Portfolios

The performance of Segregated Portfolio Shares of a particular Segregated Portfolio may be inferior to the performance of Shares of other Segregated Portfolios of the Fund. However, holders of Segregated Portfolio Shares of a Segregated Portfolio will be entitled to participate in the net gains of the underlying investments attributable to such specific Segregated Portfolio only. Holders of Segregated Portfolio Shares of a Segregate Portfolio will not benefit from any increase in the net asset value of any other Segregated Portfolio of the Fund.

No Right to Assets of Other Segregated Portfolios

Under British Virgin Islands law, investors in a Segregated Portfolio have no direct or indirect interest in the assets attributable or attributed to other Segregated Portfolios of the Fund and creditors of a Segregated Portfolio have no right to claim against the assets of any Segregated Portfolio other than the Segregated Portfolio for debts owed by such Segregated Portfolio. Any proceeds of redemption, dividend or other distribution made by a Segregated Portfolio to holders of Segregated Portfolio Shares may only be recovered from the assets of such Segregated Portfolio.

Limited Operating History; Potential of Loss

Certain Segregated Portfolios may have a limited operating history. Accordingly, an investment in such Segregated Portfolios entail a high degree of risk. There can be no assurance that each of the Segregated Portfolios or the Investment Manager will achieve the Fund's investment objective notwithstanding the performance of any or all of the foregoing or their respective affiliates or principals in other transactions, including, without limitation, arrangements similar in nature to the Segregated Portfolios. Given the factors that are described below, there exists a possibility that an investor could suffer a substantial or total loss as a result of an investment in the Fund.

Forward-Looking Information

Certain statements under the Fund's "INVESTMENT PROGRAM" and elsewhere in this Memorandum and each Supplement constitutes forward-looking statements about future operations, results and performance, which involve risks and uncertainties that may cause the actual operations, results or performance to differ materially from those expressed in or implied by the forward-looking statements. These risks and uncertainties include the performance of the securities markets and the Fund's investment program, future economic conditions, changes in investment strategy and other

factors. Consequently, no assurance can be given as to future operations, results or performance, and neither the Fund, nor the Investment Manager, nor any other person assumes any responsibility for the accuracy and completeness of the forward-looking statements in this Memorandum or in the Supplements.

Limited Liquidity of an Investment in a Segregated Portfolio

An investment in the Fund is suitable only for certain sophisticated investors who have no need for immediate liquidity in their investment. Segregated Portfolio Shares may only be redeemed at such times and on such notice as described in the Supplement of each Segregated Portfolio. Until such time as a redemption request has been satisfied in full, such unredeemed Shares will remain at risk in the Fund. Furthermore, Segregated Portfolio Shares are not freely transferable and may not be sold, assigned, transferred, conveyed or disposed of without the prior consent of the Board. In addition, in certain circumstances, the Directors may suspend redemptions indefinitely. There is no public market for Segregated Portfolio Shares, and it is not expected that a public market will develop. The Directors may establish reserves or holdbacks for estimated accrued expenses, liabilities or contingencies, including general reserves and holdbacks for unspecified contingencies (even if such reserves or holdbacks are not otherwise required by IFRS), which could reduce the amount of a distribution upon redemption.

No Current Income

The Fund's investment policies should be considered speculative, as there can be no assurance that the Investment Manager's assessments of the short-term or long-term prospects of investments will generate a profit. In view of the fact that the Fund likely will not pay dividends, an investment in the Fund is not suitable for investors seeking current income for financial or tax planning purposes.

Performance subject to a single Underlying Fund

The performance of a Segregated Portfolio that allocates all or a significant part of its assets to a single Underlying Fund will carry the risks associated with an investment in a single hedge fund investment and not a diversified portfolio and may expose a Shareholder who invests in a Segregated Portfolio which in turn invests in a single Underlying Fund to losses that may be material with respect to their entire investment portfolio.

Liquidity subject to a single Underlying Fund

The ability of the Fund to meet a redemption request in respect of a Segregated Portfolio is subject to the ability of the Underlying Fund (as applicable) to meet redemption requests from the Fund; in such case, the Fund's ability to satisfy redemption requests will depend on its ability to make corresponding redemptions from the Underlying Fund, and certain terms applicable to a Segregated Portfolio's investment in an Underlying Fund may operate to materially limit or restrict the amount of capital the Segregated Portfolio may redeem from the Underlying Fund as of any particular redemption date (and, accordingly, the amount of capital Shareholders may redeem from the Segregated Portfolio).

In addition, the board of directors of an Underlying Fund may have the authority to suspend redemptions and delay redemption payments by the Underlying Fund (which would have a corresponding effect on the Segregated Portfolio). In such circumstances, the Investment Manager will have no control over any such suspensions or delays by the Underlying Fund, and the Fund in respect of the Segregated Portfolio would be forced to impose the same suspensions and delays on Shareholders as the Underlying Fund imposes on the Segregated Portfolio.

No control of the Underlying Fund

Shareholders in the Fund, in respect of any of its Segregated Portfolios, will not be investors in the Underlying Funds, will neither have a direct interest nor voting rights in them, Ltd. and will have no standing or recourse against the Underlying Funds and their managers or their respective officers, directors, members, partners, shareholders, employees, agents or affiliates (or any officer, director, member, partner, shareholder, employee or agent of any such affiliate). The offering of the Fund's Shares should not be considered an offering of shares of the Underlying Fund.

Moreover, none of the Fund or the Investment Manager has the right to participate in the control, management or operations of the Underlying Fund or has any discretion with respect to the management of the Underlying Fund or its manager.

Limited information

Prospective investors have only limited information as to the specific assets of the Fund or other relevant economic and financial information, which, if available, would assist them in evaluating the merits of investing in the Fund.

Business Dependent Upon Key Individuals at Segregated Portfolios

The success of the Fund depends on the ability of the Investment Manager to develop and implement investment strategies that achieve the investment objective of the Fund and of each Segregated Portfolio. If the Investment Manager's team ceases to participate in the management of the Fund, the consequences to the Fund could be material and adverse and could lead to the premature termination of the Fund.

Achievement of the Segregated Portfolio's Investment Objective

No guarantee or representation is made that a Segregated Portfolio's investment objective will be successful. Generally, Segregated Portfolios will invest in Underlying Funds whose investment programs may include such investment techniques as short sales, leverage and limited diversification which practices can, in certain circumstances, maximize the adverse impact to which the Fund's investments may be subject. No assurance can be given that the Fund will achieve its investment objective of capital appreciation.

Lack of Management Control by Shareholders

The Shareholders cannot take part in the management or control of the Fund's business, which is the sole responsibility of the Investment Manager. The Investment Manager will have wide latitude in making investment decisions. For instance, because the Voting Shares are held exclusively by the Investment Manager, it is highly likely measures proposed by the Investment Manager will be approved. The Shareholders have certain limited voting rights, including the right to amend the Articles of Association under certain circumstances, but do not have any authority or power to act for or bind the Fund.

Access to Information from Underlying Funds

As an investor in Underlying Funds (as applicable), the Fund will receive periodic reports from such Underlying Funds at the same time as any other investor in such Underlying Funds. The Investment Manager will request detailed information on a continuing basis from each Underlying Fund regarding

such fund's historical performance and investment strategies. However, the Investment Manager may not always be provided with detailed information regarding all the investments made by Underlying Funds because certain of this information may be considered proprietary information by the Underlying Funds. This lack of access to information may make it more difficult for the Investment Manager to select, allocate among and evaluate Underlying Funds.

Risks of Certain Investments Made by Underlying Funds

Generally, each Segregated Portfolio is engaged in an investment strategy concentrating primarily on investing in marketable securities through a single Underlying Fund. The securities business is speculative, prices are volatile, and market movements are difficult to predict. Supply and demand for securities change rapidly and are affected by a variety of factors, including interest rates, merger activities and general economic trends.

Nature of the Segregated Portfolio's Investments

Although the Investment Manager will seek to monitor the investment and trading style of the Underlying Funds in which the Fund is invested, investment decisions will be made independently at the level of such Underlying Funds (as applicable). As a result of its investments, Segregated Portfolios may incur other risks, including currency exchange risks in respect of assets held in other currencies, tax risks in respect of assets invested in other jurisdictions, and risks relating to political, social and economic factors which may affect the assets of the Underlying Funds in which the Fund invests, as contemplated in the relevant Supplement.

Liquidity of Underlying Funds

Although the Investment Manager seeks to select Underlying Funds (as applicable) a substantial majority of which, offer the opportunity to have their shares or units redeemed within a reasonable timeframe, there can be no assurance that the liquidity of the investments of such Underlying Funds will always be sufficient to meet redemption request as, and when, made. Any lack of liquidity may affect the liquidity of the Shares of the Segregated Portfolio and the value of its investments. For such reasons the treatment of redemption requests from the Fund may be deferred or suspended in certain circumstances, including if a lack of liquidity may result in difficulties in determining the Net Asset Value.

A Segregated Portfolio may be invested in an Underlying Fund, which may not be able to meet the liquidity requests of its shareholders and therefore the Segregated Portfolio may not be able to readily realize its investment. In such circumstances, a *pro rata* portion of redemption proceeds may be withheld by the Fund until such time as there is sufficient liquidity within the Segregated Portfolio's assets to permit payment of the balance. There is often, in practice, no effective secondary market for Underlying Funds and, to the extent that there is a secondary market, interests in such Underlying Funds often trade at a discount, which may be substantial, to their net asset value.

Failure of Underlying Fund Managers

Generally, Segregated Portfolios seek to invest in Underlying Funds which the Investment Manager believes may deliver superior risk adjusted returns. In the event that an Underlying Fund is unsuccessful in delivering upon the expectation of the Investment Manager, the Segregated Portfolio will not achieve its targeted return from such Underlying Fund, thus diminishing returns to investors in the Segregated Portfolio.

Application of Investment Criteria

While the Investment Manager will generally seek to consider the key investment criteria set out herein, there is no guarantee that it will be able to do so or that the information which it is able to obtain, especially in the case of reference checks on key individuals, will be sufficient for the purposes for which it is sought. Further, there is no guarantee that the Investment Manager will be able to correctly assess prospects and, in the event it does not do so, the Segregated Portfolio may be adversely affected.

Increase in Managed Assets

Each Segregated Portfolio may invest in Underlying Funds (as applicable) whose Underlying Fund managers are experiencing a significant increase in the assets they manage, which may impair the ability of their strategies and operations to perform up to historical levels. Such Underlying Fund managers may divert from stated strategies into strategies or markets with which they could have little or no experience. This could result in serious losses to the Underlying Funds and thus to the Segregated Portfolios.

Valuations of Underlying Funds

The valuation of the investments of Segregated Portfolios in Underlying Funds (as applicable) will ordinarily be determined based upon valuations provided by the administrators or the investment managers of such Underlying Funds. To the extent that the investment manager of an Underlying Fund is involved in the valuation of the assets thereof, conflicts of interest may exist. The Directors, the Administrator and the Investment Manager will not be able to confirm the accuracy of valuations provided by any such administrator or investment manager of an Underlying Fund. In the event of an error or fraud in the determination of the value of an investment in an Underlying Fund, the Net Asset Value of Segregated Portfolio Shares may be adversely affected.

Further, in the interests of timely delivery of the Net Asset Value of a Segregated Portfolio, the Directors may establish a “cut off” time by which the net asset value of an Underlying Fund is ascertained in the absence of which the Directors or their delegate may determine to use an estimated, indicative or preliminary net asset value supplied by a Underlying Fund in calculating the Net Asset Value and Net Asset Value per Share of the Segregated Portfolio. Such estimated, indicative or preliminary net asset value may differ significantly from the final net asset value of such Underlying Fund when available, but no change will be made in a previously published Net Asset Value or Net Asset Value per Share of a Segregated Portfolio.

Other Seed/Strategic Arrangements

Underlying Fund managers may enter into arrangements with other seed or strategic investors granting such investors rights, which may be different to those granted to the Fund. While the Fund on behalf of each Segregated Portfolio will generally seek to negotiate “most favored nation” status, there is no guarantee that it will be able to do so. The actions of any other seed or strategic investor may negatively impact the Segregated Portfolios. Further, such arrangements may reduce the returns of the Segregated Portfolios.

Restrictions on Underlying Fund Managers

While the Fund on behalf of each Segregated Portfolio will seek to impose various restrictions on Underlying Fund managers and their principals (as applicable), including non-compete, non-

solicitation and other restrictive covenants, the scope of such protections and covenants is limited and the Segregated Portfolios may not be able to enforce them, wholly or in part.

Proprietary Investment Strategies

An Underlying Fund manager may use proprietary investment strategies that are based on considerations and factors that are not fully disclosed to the Investment Manager or the Segregated Portfolio. These strategies may involve risks under some market conditions that are not anticipated by the Underlying Fund manager, the Investment Manager or the Fund. The Underlying Fund managers generally use investment strategies that differ from those typically employed by traditional managers of portfolios of stocks and bonds. The strategies employed by the Underlying Fund managers may involve significantly more risk and higher transaction costs than more traditional investment methods. Where a Segregated Portfolio only invests in a single Underlying Fund, the Segregated Portfolio may be significantly exposed to these higher risk and costlier investment strategies.

In-Kind Distributions

Under such circumstances as the Board deems appropriate, the Shareholders of a Segregated Portfolio may receive in-kind distributions, if permitted by law. Similarly, a Segregated Portfolio may receive in-kind distributions from Underlying Funds (as applicable) in connection with redemptions by the Segregated Portfolio from, or the liquidation of, such Underlying Funds.

Tiered Fee Structure

Segregated Portfolios will generally invest most of its assets in non-affiliated Underlying Funds. In such circumstances, management fees will be charged to each Segregated Portfolio by both the Investment Manager and the non-affiliated Underlying Fund manager(s). As a result, a Segregated Portfolio, and indirectly investors in the Segregated Portfolio, will bear multiple investment management fees, which may include performance fees, which in the aggregate will exceed the fees that would typically be incurred by an investment in a single fund. Segregated Portfolios may also invest in Underlying Funds that utilize a “fund-of-funds” or “multi-manager” investment strategy, thereby subjecting the Segregated Portfolios, and investors in each Segregated Portfolio, to a further level of fees. In addition, Segregated Portfolios bear certain costs and expenses of the Investment Manager and its affiliates attributable to asset management services and accounting and operational services.

Loans of Portfolio Securities

The Underlying Funds may lend their portfolio securities on terms customary in the securities industry, enter into reverse repurchase agreements or enter into other transactions constituting a loan of the Underlying Funds’ assets. By doing so, an Underlying Fund would attempt to increase its income through the receipt of interest on the loan. In the event of the bankruptcy of the other party to a securities loan, such Underlying Fund could experience delays in recovering the securities it lent. To the extent that the value of the securities the Underlying Fund lent has increased, the Underlying Fund could experience a loss if such securities are not recovered, which in turn could result in a loss to the relevant Segregated Portfolio.

Trade Errors

On occasion, errors may occur with respect to trades executed on behalf of the Segregated Portfolios or the Underlying Funds. Trade errors can result from a variety of situations, including, for example, when the wrong security is purchased or sold, when the correct security is purchased or sold

but for the wrong account, and when the wrong quantity is purchased or sold (e.g., 1,000 shares instead of 10,000 shares are traded). Trade errors frequently result in losses but may, occasionally, result in gains. The Board and the Investment Manager will endeavor to detect trade errors prior to settlement and correct and/or mitigate them in an expeditious manner. To the extent an error is caused by a third-party, such as a broker, the Board and the Investment Manager will strive to recover any losses associated with such error from such third-party. The Board or the Investment Manager, as the case may be, will determine whether any trade error has resulted from gross negligence on its part, and, unless it finds that to be the case, any losses will be borne by (and any gains will benefit) the relevant Segregated Portfolio. The Board and the Investment Manager will establish internal policies regarding the manner in which such determinations are to be made, but investors should be aware that, in making such determinations, the Board and the Investment Manager will have a conflict of interest. The Underlying Fund managers may or may not have similar policies with respect to trade errors.

Inside Information

From time to time, an Underlying Fund manager or its affiliates, or members of a group of investors or managers with whom the any of them is acting, may work with the management team of a company in which an Underlying Fund has invested or proposes to invest in order to design an alternate strategic plan and assist them in its execution, and may secure the appointment of persons selected by such Underlying Fund manager or other members of the group to the company's management team or board of directors. In the course of such activities, such Underlying Fund manager may come into possession of material, non-public information concerning such company, and the possession of such information may limit the ability of such Underlying Fund manager to cause such Underlying Fund to buy or sell the securities issued by such company. Therefore, such Underlying Fund may be required to refrain from buying or selling such securities at times when such Underlying Fund manager might otherwise wish to cause such Underlying Fund to buy or sell such securities.

Allocation of Liabilities Among Classes of Shares; Cross Collateralization

Although each Class of Segregated Portfolio Shares will be maintained by the Fund separately, with separate accounting records and with the capital contributions (and investments made therewith) kept in segregated accounts, Classes of Segregated Portfolio Shares are not separate legal entities but rather classes of shares in each Segregated Portfolio. Thus, all of the assets of a Segregated Portfolio are available to meet all of the liabilities of the Segregated Portfolio, regardless of the Classes of Segregated Portfolio Shares to which such assets or liabilities are attributable. In practice, cross portfolio liability will usually only arise where any separate Class becomes insolvent and is unable to meet all of its liabilities. In this case, all of the assets of the Segregated Portfolio attributable to other separate Classes of Segregated Portfolio Shares may be applied to cover the liabilities of the insolvent Classes of Segregated Portfolio Shares of such Segregated Portfolio.

If losses or liabilities are sustained by a Class of Segregated Portfolio Shares in excess of the assets attributable to such class, such excess may be apportioned to the other Classes of Segregated Portfolio Shares in such Segregated Portfolio.

Currency Translation Risk

The U.S. dollar is the functional currency of the Fund. The Fund may not maintain all its investments in U.S. dollars and may not seek to hedge its investments against other currencies. Accordingly, investors will bear the risk of the currency fluctuation between such currencies. The rate of exchange between the U.S. dollar and other currencies is determined by forces of supply and demand in the other countries' exchange markets. These prices are affected by the international balance of payments,

inflation and other economic and financial conditions, government intervention, speculation and other factors.

The Fund with respect to each Segregated Portfolio may enter into forward currency exchange contracts or transactions on the spot (i.e. cash) market or, subject to compliance with applicable regulatory provisions, currency futures or options contracts for the purchase or sale of currency for various purposes, including to “lock in” the U.S. Dollar price of the securities denominated in a currency or the U.S. Dollar equivalent of interest and dividends to be paid on such securities; to hedge against the possibility that the currency of a country in which the Fund with respect to each Segregated Portfolio has investments may suffer a decline against the U.S. Dollar; or for other purposes consistent with the Fund’s investment objective. The Fund with respect to each Segregated Portfolio is not obligated to engage in any such currency hedging operations, and there can be no assurance as to the success of any hedging operations which the Fund may implement. Further there may be costs associated with exchanging currencies.

Currency Hedging; Counterparty Default

With respect to certain Classes of Shares, the Fund with respect to each Segregated Portfolio may enter forward foreign currency (“FX”) contracts (“Hedging Transactions”) to manage FX fluctuation risk between the currency in which shares are denominated and the currency of investments. Hedging involves special risks including the possible default by the counterparty to the transaction, illiquidity of the FX agreement in the event the need arises to close the FX agreement before its forward date, and the risk of error in establishing the Hedging Transaction. Any costs or liabilities associated with Hedging Transactions will be borne by the Shareholders of the Classes on behalf of which the hedging has been performed.

The stability and liquidity of repurchase agreements, swap transactions, forward transactions and other over-the-counter derivative transactions depend in large part on the creditworthiness of the parties to the transactions. It is expected that the Fund will monitor on an ongoing basis the creditworthiness of firms with which it will enter into repurchase agreements, interest rate swaps, caps, floors, collars or other over-the-counter derivatives. If there is a default by the counterparty to such a transaction, the Fund will, under most normal circumstances, have contractual remedies pursuant to the agreements related to the transaction. However, exercising such contractual rights may involve delays or costs, which could result in the net asset value of the Segregated Portfolio being less than if the Segregated Portfolio had not entered into the transaction. Furthermore, there is a risk that any of such counterparties could become insolvent. If one or more of the Fund’s counterparties were to become insolvent or the subject of liquidation proceedings in the United States (either under the Securities Investor Protection Act or the United States Bankruptcy Code), there exists the risk that the recovery of the Segregated Portfolio’s securities and other assets from such prime broker or broker-dealer will be delayed or be of a value less than the value of the securities or assets originally entrusted to such prime broker or broker-dealer.

In addition, the Fund with respect to each Segregated Portfolio may use counterparties located in various jurisdictions around the world. Such local counterparties are subject to various laws and regulations in various jurisdictions that are designed to protect their customers in the event of their insolvency. However, the practical effect of these laws and their application to the Fund’s assets are subject to substantial limitations and uncertainties. Because of the large number of entities and jurisdictions involved and the range of possible factual scenarios involving the insolvency of a counterparty, it is impossible to generalize about the effect of their insolvency on the Fund and its assets. Investors should assume that the insolvency of any counterparty would result in a loss to the Fund, which could be material.

Early Termination

In the event of the early termination of the Fund, the Fund would have to distribute to the Shareholders their *pro rata* interest in the assets of the respective Segregated Portfolios. Certain assets held by a Segregated Portfolio may be highly illiquid and might have little or no market value. It is possible that at the time of such sale or distribution, certain securities held by a Segregated Portfolio would be worth less than the initial cost of such securities, resulting in losses to Shareholders of such Segregated Portfolio.

Effect of Substantial Redemptions

Substantial redemptions or frequent redemptions by Shareholders within a short period of time could require the Investment Manager to liquidate positions more rapidly than would otherwise be desirable, which could adversely affect the value of the assets of a Segregated Portfolio. The resulting reduction in the assets of a Segregated Portfolio could make it more difficult to generate a positive rate of return or to recoup losses due to a reduced equity base. Substantial redemptions may be based on information and enhanced rights provided to certain Shareholders pursuant to Other Agreements.

Increased Transparency and Reporting Frequency

Certain Shareholders may be provided with additional and more frequent information regarding the investments of a Segregated Portfolio and the performance of such investments than is provided to other Shareholders. This may provide an advantage to certain Shareholders not available to the Shareholders who do not have such information with which to make decisions regarding their investment in the Segregated Portfolio. With such information, certain Shareholders may elect to redeem based on their increased knowledge of the Segregated Portfolio's investments and performance.

Potential Absence of IFRS Accounting

Certain transactions of the Segregated Portfolios may not follow International Financial Reporting Standards ("IFRS"). Accordingly, the investors will not have the protections afforded by the consistency and required disclosures of IFRS accounting standards. For example, the Fund may amortize its organizational costs over a period of up to sixty (60) months.

Regulation

The Fund is not registered as an investment company under the Company Act (or any similar state laws). Registered investment companies are subject to extensive regulation. Shareholders, therefore, will not be accorded the protective measures provided by such legislation.

Changes in Applicable Law

Legal, tax and regulatory developments that may adversely affect the Fund and the Underlying Funds (as applicable) could occur during the term of the Fund. Securities and futures markets are subject to comprehensive statutes, regulations and margin requirements enforced by the U.S. Securities and Exchange Commission ("SEC"), other regulators and self regulatory organizations and exchanges authorized to take extraordinary actions in the event of market emergencies. The regulation of derivatives transactions and funds that engage in such transactions is an evolving area of law and is subject to modification by government and judicial actions. The regulatory environment for private

funds is evolving, and changes in the regulation of private funds and their trading activities may adversely affect the ability of the Fund to pursue its investment strategy, its ability to obtain leverage and financing and the value of investments held by the Fund and the Underlying Funds. There has been an increase in governmental, as well as self-regulatory, scrutiny of the alternative investment industry in general. For instance, the SEC issued an emergency order in September 2008 temporarily banning short-selling of publicly traded securities of certain financial firms and requiring institutional investment managers, including hedge fund managers, to file a report each week disclosing their short selling and short positions in most U.S.-listed equity securities for each day of the prior week. On or about the same time, other jurisdictions (e.g., United Kingdom, Australia, and Ireland) enacted emergency regulations, imposing similar regulations to those enacted by the SEC. It is impossible to predict what, if any, changes in regulations may occur, but any regulations which restrict the ability of the Fund and the Underlying Funds to trade in securities or the ability of the Fund and the Underlying Funds to employ, or brokers and other counterparties to extend, credit in its trading (as well as other regulatory changes that result) could have a material adverse impact on the Fund's portfolio.

Alternative Investment Fund Managers Directive

The EU Alternative Investment Fund Managers Directive (AIFMD) had to be transposed into the national law of the member states of the European Union (EU) by July 2013. However, a limited number of EU member states have still not done so at the date of this Memorandum. The additional member states which make up the European Economic Area (EEA) have also not added the AIFMD to the EEA agreement as at the date of this Memorandum. Certain conditions must be met to permit the marketing of the Segregated Portfolio Shares to any potential and existing investors in the EEA, including that prescribed disclosures must be made to such investors. It is difficult to predict the full impact of the AIFMD on the Fund, and the effect on the Fund may vary over time. To the extent the Segregated Portfolio Shares are "marketed" (as defined in the AIFMD) in the EEA, the Investment Manager will be required to register the Fund for sale in the relevant EEA jurisdiction and meet the relevant conditions for such registration imposed by the EEA member state regulator. In addition, the Investment Manager will be required to make certain on-going reports and disclosures to regulators of EEA Member States in which the Fund is marketed. Such reports and disclosures may become publicly available. The AIFMD also imposes certain conditions that must be met by the non-EU jurisdiction in which the Fund is established; these include a requirement for there to be cooperation arrangements between the regulators of the jurisdiction of establishment of the Fund and the EEA member states into which the Fund is being marketed. In the event that the Fund and/or the Investment Manager are unable to comply with these requirements, it may not be possible to market the Segregated Portfolio Shares to investors in some or all EEA member states. As such, provisions of the AIFMD may limit the Fund's ability to market the Segregated Portfolio Shares in the future.

Compliance With Automatic Exchange Of Information Legislation

US Foreign Account Tax Compliance Act

The US Foreign Account Tax Compliance Act and sections 1471 through 1474 of the US Internal Revenue Code (collectively referred to as FATCA) requires certain "Foreign Financial Institutions", including the Fund, to report on assets held by US person. Failure to do so could result in the Foreign Financial Institution being subject to a withholding tax (currently at the rate of 30 per cent) on certain payments. Payments 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 or through "Participating Foreign Financial Institutions" to "recalcitrant account holders" and "Non-participating Financial Institutions" (so called "foreign pass thru payments").

The Government of the British Virgin Islands has entered into a Model 1 intergovernmental agreement with the United States (the US IGA) and implemented domestic legislation to facilitate compliance with FATCA. The US IGA provides that British Virgin Islands Financial Institutions, including the Fund, which comply with the applicable domestic legislation (and through them the US IGA) will be treated as satisfying the due diligence and reporting requirements of FATCA and accordingly will be “deemed compliant” with the requirements of FATCA. To comply with its obligations under the applicable domestic legislation, the Fund will be required to identify whether Participating Shares are held directly or indirectly by “Specified US Persons” (as defined in the US IGA) and report information on such Specified US Persons to the British Virgin Islands International Tax Authority (the BVI ITA). The BVI ITA will in turn report relevant information to the United States Internal Revenue Service (IRS). If the Fund is not able to comply with its reporting requirements under the US IGA (whether due to a failure of one or more Shareholders to provide adequate information or otherwise), the Fund could be deemed to be a “Non-participating Financial Institution” as a result of “significant non-compliance”. In such a situation the withholding tax under FATCA could be imposed on US-sourced amounts paid to the Fund.

OECD Common Reporting Standard requirements regarding tax reporting

The “Common Reporting Standard” (CRS) was developed by the OECD to be an international standard for the automatic exchange of financial account information between relevant jurisdictions. Jurisdictions committed to the CRS (each a Participating Jurisdiction) will either be a signatory to the multi-lateral competent authority agreement (MCAA) or will sign bilateral competent authority agreements with certain other Participating Jurisdictions.

Under the MCAA (or the relevant bilateral agreement), Participating Jurisdictions will become Reportable Jurisdictions once they have implemented appropriate domestic legislation, put in place the necessary administrative and IT infrastructure (both to collect and exchange information and to protect confidentiality and safeguard data) and provided the necessary notifications for exchange. Participating Jurisdictions will have to collect and exchange relevant information with relevant Reportable Jurisdictions.

The Government of the British Virgin Islands is a signatory to the MCAA. Under the legislation which implements the MCAA in the British Virgin Islands (the CRS Implementing Legislation), the Fund will be required to make an annual filing to the BVI ITA in respect of Shareholders who are tax resident in a Reportable Jurisdiction and/or whose “Controlling Persons” are tax resident in a Reportable Jurisdiction (unless one or more of the limited exemptions in the CRS Implementing Legislation apply).

The list of Reportable Jurisdictions for the British Virgin Islands is available on the BVI ITA.

Implications for Shareholders

In order to comply with the US IGA, the MCAA (or any relevant bilateral agreement) and the relevant domestic legislation (collectively AEOI Legislation), the Fund may be required to disclose certain confidential information provided by Shareholders to the BVI ITA, 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 BVI ITA.

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 their investment in the Fund.

Reserve for Contingent Liabilities

Under certain circumstances, the Fund on behalf of each Segregated Portfolio may find it necessary to establish a reserve for estimated accrued expenses, liabilities or contingencies, including general reserves for unspecified contingencies (even if such reserves or holdbacks are not otherwise required by IFRS) or withhold a portion of the Shareholder's settlement proceeds at the time of redemption, in which case, the reserved portion would remain at the risk of the specific Segregated Portfolio's activities.

Lack of Independent Experts Representing Investors

The Investment Manager has consulted with counsel, accountants and other experts regarding the Fund and the preparation of these offering materials. Each prospective investor should consult his own legal, tax and financial advisors regarding the desirability of an investment in the Fund.

General Economic Conditions

The success of any investment activity is influenced by general economic 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 or illiquidity in the 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 losses.

Suspensions of Trading

Each securities exchange typically has the right to suspend or limit trading in all securities that it lists. Such a suspension would render it impossible for the Investment Manager to liquidate positions and, accordingly, could expose the Fund to losses.

Side Letters

The Fund, by consent of the Investment Manager, may from time to time seek to induce investment in the Fund by offering investment terms to certain prospective investors which are not available to existing investors in the Fund. In such cases the parties will enter into a written side arrangement varying the standard terms of offer, with respect to such investors, described in this Memorandum (each a "Side Letter" and collectively, "Side Letters"). Such variations may include, without limitation, variations to fees, reporting, minimum investments, redemption restrictions, redemption notice requirements, the timing of redemptions and redemption procedures, additional

consent or notification rights regarding certain investments of the Fund, or transparency (with the effect that not all Shareholders in the Fund will invest on the same terms and some Shareholders may be expected to enjoy more favorable terms than others). The Fund may enter into Side Letters with any party as the Board may determine in its sole and absolute discretion at any time. In providing such information, the Investment Manager and the Fund will have due regard to the interests of the Shareholders of the Fund and each Class of Segregated Portfolio Shares as a whole. Notwithstanding the foregoing, all Segregated Portfolio Shares within the same Class will rank *pari passu*.

Other Agreements

The Fund has the authority to create new Classes of Segregated Portfolio Shares and enter into letter agreements or other similar agreements (collectively, “Other Agreements”) with one or more Shareholders which provide such Shareholders with additional and/or different rights (including, without limitation, with respect to access to information, incentive allocations, minimum investment amounts, and liquidity terms) than other Shareholders. In general, the Fund will not be required to notify any or all of the other shareholders of any such Other Agreements or any of the rights and/or terms or provisions thereof, nor will the Fund be required to offer such additional and/or different rights and/or terms to any or all of the other Shareholders.

Anti-Money Laundering

If the Investment Manager, the Fund or any governmental agency believes that the Fund has accepted contributions, or is otherwise holding assets of, any person or entity that is acting directly or indirectly, in violation of an U.S., international or other anti-money laundering laws, rules, regulations, treaties or other restrictions, or on behalf of any suspected terrorist or terrorist organization, suspected drug trafficker, or senior foreign political figure(s) suspected in engaging in foreign corruptions, the Investment Manager, the Fund or such governmental agency may freeze the assets of such person or entity invested in the Fund or suspend their withdrawal rights. The Investment Manager or the Fund may also be required to remit or transfer those assets to a governmental agency.

In addition to these general investment risks, Underlying Funds may by using certain investment techniques subject their portfolios as well as the Segregated Portfolios to certain risks; some, but not all, of these techniques and risks are summarized below.

- (1) *Options.* The Segregated Portfolios, either directly or through their investment in Underlying Funds, may engage from time to time in various types of options transactions. In the event a Segregated Portfolio invests directly, the purchase of such instruments other than currency hedges will be limited to a premium paid of no more than two percent (2%) of the Segregated Portfolio’s Net Asset Value, measured at the time of investment. Notwithstanding the foregoing, the Segregated Portfolio anticipates that it will invest in Underlying Funds for a significant portion of its hedging activity and for such activities the limit will not apply. An option gives the purchaser the right, but not the obligation, upon exercise of the option, either (i) to buy or sell a specific amount of the underlying security at a specific price (the “strike” price or “exercise” price), or (ii) in the case of a stock index option, to receive a specified cash settlement. To purchase an option, the purchaser must pay a “premium,” which consists of a single, nonrefundable payment. Unless the price of the securities interest underlying the option changes and it becomes profitable to exercise or offset the option before it expires, Underlying Funds may lose the entire amount of the premium. The purchaser of an option runs the risk of losing the entire investment. Thus, the Segregated Portfolios or Underlying Funds may incur significant losses in a relatively short period of time. The ability to trade in or exercise options also may be restricted in the event that trading in the underlying securities interest becomes restricted. Options trading may also be illiquid in the event that assets of an Underlying Fund are invested in contracts with extended expirations. Underlying Funds may purchase and write put and call

options on specific securities, on stock indexes or on other financial instruments and, to close out its positions in options, may make a closing purchase transaction or closing sale transaction.

- (2) *Risks of Derivatives.* The Segregated Portfolios, either directly or through their investment in Underlying Funds, may trade derivatives, including without limitation entering into one or more total return swaps, options or other forms of derivative investments. The risks posed by derivatives include without limitation (1) credit risks (the exposure to the possibility of loss resulting from a counterparty's failure to meet its financial obligations); (2) market risks (adverse movements in the price of a financial asset or commodity); (3) legal risks (an action by a court or by a regulatory or legislative body that could invalidate a financial contract); (4) operations risks (inadequate controls, deficient procedures, human error, system failure or fraud); (5) documentation risks (exposure to losses resulting from inadequate documentation); (6) liquidity risks (exposure to losses created by the inability to prematurely terminate a derivative); (7) systemic risks (the risk that financial difficulties in one institution or a major market disruption will cause uncontrollable financial harm to the financial system); (8) concentration risks (exposure to losses from concentration of closely-related risks such as exposure to a particular industry or exposure linked to a particular entity); and (9) settlement risks (the risk that the Segregated Portfolio (or an Underlying Fund, as the case may be), faces when it has performed its obligations under a contract but has not yet received value from its counterparty).
- (3) *Futures.* Subject to compliance with applicable rules and regulations, the Segregated Portfolios may invest in Underlying Funds that invest in futures contracts. The use of futures is a highly specialized activity which involves investment strategies and risks different from those associated with ordinary portfolio securities transactions, and there can be no guarantee that their use will increase the returns of an Underlying Fund or not cause it to sustain large losses. Although the use of these instruments may reduce certain risks associated with portfolio positions, these techniques themselves entail certain other risks. If an Underlying Fund applies a futures strategy at an inappropriate time or judges market conditions or trends incorrectly, such strategy may lower the Underlying Fund's return or cause substantial losses. Certain futures strategies may limit the ability of an Underlying Fund to realize gains as well as limit its exposure to losses. Underlying Funds and, thus, the Segregated Portfolios could also experience losses if it could not close out its positions because of an illiquid market. In addition, an Underlying Fund will incur transaction costs, including brokerage commissions, in connection with its futures transactions and these transactions could significantly increase the Underlying Fund's turnover rate, thus lowering its and, thus, the Fund's returns.
- (4) *Short Selling.* Underlying Funds may engage in the short-selling of securities in certain circumstances. Short-selling is the selling of securities the seller does not own. If securities were sold short, Underlying Funds would fulfill its obligation to deliver such securities with borrowed securities. They would only profit from such a practice if they could fulfill its obligation to the lender of the securities by repaying the lender with securities, which they have purchased at a price lower than the price they received for the short sale. If the price of a security that has been sold short increases, there is no limit to the loss that could be incurred in covering a short sale.
- (5) *Leverage; Interest Rates.* Underlying Funds may use leverage, including borrowing to buy securities on margin or make other investments. Underlying Funds may also leverage their assets by entering into reverse repurchase agreements whereby they effectively borrow funds on a secured basis by "selling" their interests in investments to a financial institution for cash and agreeing to "repurchase" such investments at a specified future date for the sales price paid plus interest at a negotiated rate. Certain Underlying Funds may borrow greater than one hundred percent (100%) of their assets under management pursuant to the strategy employed by such Underlying Fund. The cumulative effect of the use of leverage by an Underlying Fund in a market that moves adversely to the Underlying Fund's investments could result in a

substantial loss to the Underlying Fund which would be greater than if the Underlying Fund were not leveraged.

- (6) *Transaction Expenses.* Underlying Funds may make frequent trades in securities. Frequent trades typically result in correspondingly high transaction costs.
- (7) *Illiquidity of Investments.* When placing assets with an Underlying Fund for investment, the Fund may be restricted in its ability to withdraw its investment therein to meet redemption requests by Shareholders or to pay expenses or fees .
- (8) *Losses As a Result of Currency Fluctuation.* There are special risks associated with foreign investing, including foreign currency exchange rate fluctuations, conversion risks and other economic, political and social risks, as well as the lesser degree of public information required to be provided by non-U.S. companies. A Segregated Portfolio will, throughout its life, be subject to the risks of fluctuation in exchange rates between United States dollars and foreign currencies. As a result of fluctuation in exchange rates, the Segregated Portfolio may receive a lower return than anticipated from its foreign assets.
- (9) *Performance-Based Fees.* Many Underlying Fund managers will receive performance-based fees. It is possible that an Underlying Fund manager will earn a performance-based fee while the Segregated Portfolio's overall investments are at a loss. Furthermore, some Underlying Fund managers charging such fees may not utilize a high watermark. The performance-based fees of Underlying Fund managers may create an incentive for Underlying Funds managers to engage in investment strategies and to make investments that are more speculative and riskier than would be the case in the absence of such performance-based fees.
- (10) *Foreign Market Risks.* With regard to the Segregated Portfolio's assets placed with an Underlying Fund trading in markets other than those in the United States, the risk exists that the degree of regulatory oversight, liquidity and financial control exercised by governments and regulators in such other jurisdictions may not be as effective and protective to investors as those in the United States.

CONFLICTS OF INTEREST

The Fund is subject to various conflicts of interest arising out of its relationship with the Investment Manager. These conflicts include, but are not limited to, the following:

Rights of the Investment Manager

The Investment Manager may engage for its own account, or for the account of others, in other business ventures of any nature, and the Fund shall not be entitled to any interest therein.

Certain Investment Manager Activities

The Investment Manager manages accounts and performs investment management for others, or may in the future, including other investment funds. To the maximum extent permissible, purchases and sales and investment advice are based upon the judgment of the Investment Manager. The Investment Manager and/or affiliates and/or employees may from time to time, have an interest, direct

or indirect, in a security whose purchase or sale is recommended or which is purchased, sold or otherwise traded for the Fund. As a result, the Investment Manager may sell or recommend the sale of a particular security for certain accounts including accounts in which it has an interest and it or others may buy or recommend the purchase of such security for other accounts, including accounts in which it has an interest and, accordingly, transactions in particular accounts may not be consistent with transactions in other accounts or with the Investment Manager's investment recommendations. For example, the Investment Manager may recommend that the Fund sell a security, while not recommending such sale for other accounts in order to enable the Fund to have sufficient liquidity to honor Shareholders' redemption requests. Where there is a limited supply of investments, the Investment Manager will use its reasonable efforts to fairly allocate or rotate investment opportunities, but the Investment Manager cannot assure absolute equality among all accounts and clients.

Other Activities

The Fund may lend money or securities to or borrow money from entities in which the Investment Manager or one or more of its affiliates serves as an Investment Manager, manager, sponsor, administrator or otherwise. Such arrangements may result in loans that are not as secure as loans to or from wholly-independent entities and may be subject to agreements that are not reached as a result of arms-length negotiation. The Fund has no right to participate in or benefit from such activities and the Investment Manager and its respective affiliates (herein "Related Parties") shall not be obliged to account to the Fund for any profits or benefits made or derived therefrom, nor shall they have any obligation to disclose or refer any of the investment or service opportunities obtained through such activities to the Fund. Related Parties may own Shares in the Fund. They also may deal as principals with the Fund in the sale or purchase of investments of the Fund or act as brokers, whether to the Fund or to third parties, in the purchase or sale of the Fund's investments and shall be entitled to retain any profits or customary commissions resulting from such dealings.

The Directors, the Administrator, Investment Manager and the Custodian may from time to time act as director, administrator, investment manager or custodian to, or be otherwise involved in, other funds which have similar investment objectives to those of the Fund or may otherwise provide discretionary fund management or ancillary administration, or brokerage services to investors with similar investment objectives to those of the Fund. It is, therefore, possible that any of them may, in the course of their business, have potential conflicts of interests with the Fund. Each will at all times have regard in such event to its obligations to act in the best interests of the Shareholders of the Fund so far as practicable, having regard to its obligations to other clients, when undertaking any investments where conflicts of interests may arise and they will endeavor to resolve such conflicts fairly.

British Virgin Islands Counsel

Harney Westwood & Riegels will act as British Virgin Islands counsel to the Fund in connection with this offering of Shares. In connection with this offering of Shares and ongoing advice to the Fund, the Investment Manager and their affiliates, Harney Westwood & Riegels will not be representing shareholders of the Fund. No independent counsel has been retained to represent shareholders of the Fund. Harney Westwood & Riegels' representation of the Fund, the Investment Manager and their affiliates is limited to those specific matters upon which it has been consulted. There may exist other matters which would have a bearing on the Fund, and the Investment Manager or any of its affiliates upon which Harney Westwood & Riegels has not been consulted. Harney Westwood & Riegels does not undertake to monitor the compliance of the Fund or the Investment Manager with the investment program, valuation procedures and other guidelines set out herein, nor does it monitor compliance with applicable laws. Additionally, Harney Westwood & Riegels relies upon information furnished to it by the Fund and the Investment Manager, and does not investigate or verify the accuracy and completeness of information set out herein concerning the Investment Manager or the Fund, other service providers and their affiliates and personnel.

Principals of Investment Manager Serving as Directors

Every Director has a fiduciary obligation to the Fund and its Shareholders. It should be noted, however, that certain principals of the Investment Manager may serve as Directors of the Fund. As such, Shareholders should be aware that any resolution proposed by the Investment Manager might be very likely approved.

ELIGIBLE INVESTORS

The Fund is a "professional fund" within the meaning of SIBA. Shares are only being offered to and shall only be issued to "professional investors" within the meaning of SIBA.

A "professional investor" within the meaning of SIBA is a person (a) whose ordinary business involves, whether for that person's own account or the account of others, the acquisition or disposal of property of the same kind as the property, or a substantial part of the property, of the Fund; or (b) who has signed a declaration that he, whether individually or jointly with his spouse, has net worth in excess of one million dollars in the currency of the United States of America or its equivalent in any other currency and that he consents to being treated as a professional investor. For the avoidance of doubt, Transferees must also meet the criteria listed above.

Each prospective investor is further required to certify that the Shares are not being acquired directly or indirectly for the account or benefit of a Restricted Person except as otherwise permitted herein. The term "Restricted Person" as used in this Memorandum means any member of the public in the British Virgin Islands or any U.S. Person (other than a Permitted U.S. Person) as defined below and other persons from time to time designated as such by the Fund. The term "Permitted U.S. Person" means a Tax-Exempt U.S. Person or an entity in which substantially all of its ownership interests are held by Tax-Exempt U.S. Persons. The term "Tax-Exempt U.S. Person" means a U.S. person within the meaning of the IRC that is exempt from payment of U.S. federal income tax.

For the purposes of this Memorandum, a "U.S. Person" is a person described in one or more of the following paragraphs:

With respect to any person, any individual or entity that would be a U.S. Person under Regulation S of the U.S. Securities Act of 1933, as amended (the "Securities Act"). The Regulation S definition is set forth in Appendix A to this Memorandum.

With respect to individuals, any U.S. citizen or "resident alien" within the meaning of U.S. income tax laws as in effect from time to time. Currently, the term "resident alien" is defined under U.S. income tax laws to generally include any individual who (i) holds an Alien Registration Card (a "green card") issued by the U.S. Immigration and Naturalization Service or (ii) meets a "substantial presence" test. The "substantial presence" test is generally met with respect to any current calendar year if (i) the individual was present in the U.S. on at least 31 days during such year and (ii) the sum of the number of days on which such individual was present in the U.S. during the current year, 1/3 of the number of such days during the first preceding year, and 1/6 of the number of such days during the second preceding year, equals or exceeds 183 days.

With respect to persons other than individuals: (i) a corporation or partnership created or organized in the United States or under the laws of the United States or any state; (ii) a trust where (a) a U.S. court is able to exercise primary supervision over the administration of the trust and (b) one or

more U.S. persons have the authority to control all substantial decisions of the trust ; and (iii) an estate which is subject to U.S. tax on its worldwide income from all sources.

Each subscriber for Segregated Portfolio Shares will be required to certify to the Fund that, among other things, the Shares are not being acquired, and will not at any time be held, for the account or benefit, directly or indirectly, of any U.S. Person (other than a Permitted U.S. Person) or any non-U.S. Person subject to the above restrictions. Shareholders are required to notify the Fund immediately of any change in such information. **IT IS THE RESPONSIBILITY OF EACH SHAREHOLDER TO VERIFY THAT IT IS NOT A U.S. PERSON THAT WOULD BE PROHIBITED FROM OWNING SHARES IN THE FUND.**

Each Permitted U.S. Person must represent that it is, among other things, an “accredited investor,” as such term is defined under the U.S. Securities Act, and a “qualified purchaser” as defined in Section 2(a)(51) of the Company Act.

Prior to acceptance of any subscription or transfer for Shares, each prospective shareholder must represent in writing, by completing and signing the Fund’s subscription application, that among other things:

- (i) the investor has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of the proposed investment, that it understands the method of compensation under the Investment Management Agreement and its risks, and that it can bear the economic risk of the investment (i.e., at the time of the investment the prospective shareholder can afford a complete loss of the investment and can afford to hold the investment for an indefinite period of time);
- (ii) the investor is acquiring Shares for investment purposes and solely for its own account and not with a view to or present intention of reselling them, except for its right to redeem Shares;
- (iii) the Fund has, during the course of the offering and prior to the sale of Shares, afforded it the opportunity to ask questions and receive answers concerning the terms and conditions of the offering and to obtain any additional information, to the extent the Administrator possesses such information or could acquire it without unreasonable effort or expense, necessary to verify the accuracy of the information contained in this Memorandum;
- (iv) the investor possesses certain other qualifications and makes certain other warranties and representations, as more fully set forth in the subscription application; and
- (v) the investor will indemnify the Fund against any and all liability, damage, loss, cost or expense resulting from any misrepresentation or breach of warranty in connection with the offer or sale of Shares.

The suitability standards referred to above represent minimum suitability requirements for prospective shareholders and the satisfaction of such standards by a prospective shareholder does not necessarily mean that the Segregated Portfolio Shares are a suitable investment for such prospective shareholder or that the prospective shareholder’s subscription will be accepted by the Fund. The Board may, in circumstances it deems appropriate, modify such requirements. In addition, the Board has the right to reject a subscription or refuse a transfer of Segregated Portfolio Shares without assigning any reason therefor.

Each prospective shareholder is urged to consult with its own advisors to determine the suitability of an investment in Segregated Portfolio Shares of the Fund, and the relationship of such an

investment to the purchaser's overall investment program and financial and tax position. Each purchaser of Segregated Portfolio Shares is required to represent further that, after all necessary advice and analysis, its investment in the Fund is suitable and appropriate, in light of the foregoing considerations.

Each prospective shareholder will be required to agree that its Segregated Portfolio Shares, or any beneficial interest it has therein, may not be pledged, assigned, hypothecated, sold, exchanged or transferred without the prior written consent of the Board, which consent may be given or withheld in the sole discretion of the Board, and that, prior to considering any request to permit a transfer of Segregated Portfolio Shares, the Board may require the submission by the proposed transferee of a certification as to the matters referred to in the preceding paragraphs as well as such other documents as the Board considers necessary. The Fund's Articles of Association provide, and each subscriber for Segregated Portfolio Shares will be required to agree, that (i) any attempted pledge, assignment, hypothecation, sale, exchange or transfer in violation of the foregoing restrictions will be invalid, and (ii) in the event that the Board determines that a shareholder has violated the applicable restrictions on transfer or that any material matters set forth in the certifications referred to in the preceding paragraphs were false, the Board may subject such Segregated Portfolio Shares to compulsory redemption.

TAXATION

Introduction

This summary of the principal BVI tax consequences applicable to the Fund and its Shareholders is based upon advice received from the Fund's BVI legal and tax advisors. Such advice is based upon factual representations made by the Investment Manager and the Administrator concerning the proposed conduct of the activities to be carried out on behalf of the Fund by them in the BVI and other parts of the world. The conclusions summarized herein could be adversely affected if any of the material actual representations on which they are based should prove to be inaccurate. Moreover, while this summary is considered to be a correct interpretation of existing laws in force on the date of this Memorandum, no assurance can be given that courts or fiscal authorities responsible for the administration of such laws will agree with such interpretation or that changes in such laws will not occur.

THE DISCUSSION HEREIN IS FOR INFORMATIONAL PURPOSES ONLY AND FURTHERMORE ONLY PERTAINS TO CERTAIN ASPECTS OF INVESTMENTS IN SHARES. THE ATTENTION OF TAX-EXEMPT U.S. SHAREHOLDERS IS DRAWN TO THE DISCUSSION OF CERTAIN U.S. TAX CONSIDERATIONS IN THE TAX-EXEMPT U.S. APPLICATION FORM. EACH PROSPECTIVE SHAREHOLDER SHOULD CONSULT ITS PROFESSIONAL TAX ADVISOR WITH RESPECT TO THE TAX ASPECTS OF AN INVESTMENT IN THE FUND. TAX CONSEQUENCES MAY VARY DEPENDING UPON THE PARTICULAR STATUS OF A PROSPECTIVE SHAREHOLDER. IN ADDITION, SPECIAL CONSIDERATIONS (NOT DISCUSSED HEREIN) MAY APPLY TO PERSONS WHO ARE NOT DIRECT SHAREHOLDERS IN THE FUND, BUT WHO ARE DEEMED TO OWN SHARES AS A RESULT OF THE APPLICATION OF CERTAIN ATTRIBUTION RULES.

The Fund

BVI Taxation. The Fund should not be subject to any taxation in the BVI, other than an annual license fee (currently U.S.\$1,100), an annual recognition fee of U.S.\$1,000 and an annual segregated portfolio fee of U.S.\$1,500. The Fund and all dividends, interest, rents, royalties, compensations and other amounts paid by the Fund to persons who are not persons resident in the BVI are exempt from the provisions of the Income Tax Act in the BVI and any capital gains realized with respect to any shares,

debt obligations, or other securities of the Fund by persons who are not persons resident in the BVI are exempt from all forms of taxation in the BVI. As of 1 January 2005, the Payroll Taxes Act, 2004 came into force. It will not apply to the Fund except to the extent that the Fund has employees (and deemed employees) rendering services to the Fund wholly or mainly in the BVI. The Fund at present has no employees in the BVI and no intention of having any employees in the BVI.

No estate, inheritance, succession or gift tax, rate, duty, levy or other charge is payable by persons who are not persons resident in the BVI with respect to any shares, debt obligation or other securities of the Fund.

All instruments relating to transfers of property to or by the Fund and all instruments relating to transactions in respect of the shares, debt obligations or other securities of the Fund and all instruments relating to other transactions relating to the business of the Fund are exempt from the payment of stamp duty in the BVI.

There are currently no withholding taxes or exchange control regulations in the BVI applicable to the Fund or its members.

Other Jurisdictions. In jurisdictions other than BVI, foreign taxes may be withheld at the source on dividend and interest income derived by the Fund at rates ranging typically up to thirty percent (30%). Capital gains derived by the Fund in such jurisdictions may often be exempt from foreign income or withholding taxes at source, although the treatment of capital gains varies among jurisdictions.

Changes in Law. All laws, including laws relating to taxation in the British Virgin Islands (and in other jurisdictions as well), are subject to change without notice.

Shareholders of the Fund

Shareholders who are not otherwise subject to BVI taxes by reason of their residence, domicile or other particular circumstances should not become subject to any such taxes by reason of the ownership, transfer or redemption of the Segregated Portfolio Shares.

European Union Savings Directive

Shareholders who are individuals resident in a Member State of the European Union or certain other jurisdictions referred to below should be aware of the provisions of the E.U. Council Directive 2003/48/EC of 3 June 2003 on taxation of savings income in the form of interest payments (the “Directive”) pursuant to which income realized upon the sale or redemption of shares in undertakings for collective investment, as well as any income in the form of dividends or other distributions made by such undertakings for collective investment, may (depending upon the location, classification and investment portfolio of the undertaking) become subject to the reporting regime or withholding tax regime imposed by the Directive, if such payment is made by a paying agent established either in a Member State of the European Union or in certain other jurisdictions which have agreed to introduce an equivalent reporting or withholding tax regime in respect of such payments.

However, as a result of the classification by the British Virgin Islands of funds such as the Fund established in its jurisdiction, payments made directly by the Fund through the Administrator to shareholders who are individual beneficiaries will not be subject to the reporting (or withholding tax) regime. Nevertheless, because these rules are complex and their implementation has to be effected by each Member State and the other jurisdictions referred to above through their own national legislation, application of the regime to payments deriving from the Fund but ultimately made by certain other entities (e.g. acting as nominee) located elsewhere in the European Union or in these other jurisdictions,

although not anticipated, cannot as yet be excluded. Accordingly, shareholders who are individuals or acting as nominees and who are resident in the European Union or in any of the other jurisdictions referred to above should consult their own tax advisers.

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 not effectively connected with a US trade or business 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 paid on or after 1 January 2014, gross proceeds from the sale of property that produces US-source dividend or interest income paid on or after 1 January 2017 and certain other payments made by “Participating Foreign Financial Institutions” to “recalcitrant account holders” on or after 1 January 2017 (so called foreign pass thru payments).

The Government of the British Virgin Islands has reached an agreement in substance to enter into a Model 1 intergovernmental agreement with the United States (“IGA”) to facilitate compliance with FATCA. Once the IGA is adopted, it is expected that the Fund will be required to report FATCA information to the British Virgin Islands International Tax Authority (“ITA”) which in turn will report relevant information to the United States Internal Revenue Service (“IRS”). However, to avoid withholding under FATCA, the Fund may request additional information from each investor and its beneficial owners (that may be disclosed to the ITA and the IRS) demonstrating that such investor is not a US Person. If the Fund is not able to comply with reporting requirements under the 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. In addition, certain non-US Shareholders will also be required to enter into an agreement with the IRS and disclose certain information regarding their beneficial owners to the IRS. If such non-US Shareholders fail to provide such information or enter into such an agreement with the IRS as required under FATCA, the Fund may be required to impose a withholding tax of 30 (thirty per cent) on certain payments made to such non-US Shareholders and also may be required to terminate such non-US Shareholder’s investment in the Fund.

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 Government of the BVI is a signatory to the multi-lateral competent authority agreement (“MCAA”) that will be adopted by all jurisdictions committing to the CRS (each a Reportable 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 Mutual Legal Assistance (Tax Matters) (Amendment) (No.2) Act, 2015, which implements the MCAA in the BVI (“the CRS Amendment Act”) the Fund will be required to make an annual filing in respect of Investors who are resident in a Reportable Jurisdiction and who are not covered by one of the exemptions in the CRS Amendment Act. A list of Reportable Jurisdictions has been published by the ITA.

Implications for Investors

In order to comply with the US IGA, the MCAA and the relevant domestic legislation (collectively “AEOI Legislation”), the Fund may be required to disclose certain confidential information provided by Investors to the ITA, which in turn will report the information to the relevant foreign fiscal authority.

In addition, the Fund may at any time require an Investor to provide additional information and/or documentation which the Fund may be required to disclose to the ITA.

The Directors of the Fund may take any action (including compulsory redemption of shares) in relation to a Shareholder who fails to comply with a request by the Fund to provide information or comply with a requirement of FATCA to ensure that such Shareholder's Shares or the redemption proceeds of such Shares bear the economic impact of any FATCA withholding tax imposed on or agreed by the Fund related to the Shareholder's failure to comply.

To the extent the Fund incurs any costs or suffers any withholding as a result of a Investor's failure, or is required by law to apply a withholding against the Investor, it may set off such amount against any payment otherwise due from the Fund to the Investor or may allocate such amount to the Participating Shares held by such Investor. No Investor 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 FATCA, the IGA and the proposed regulations to be issued thereunder to the Fund, and regarding the potential impact of the same, on any Shareholder's investment in the Fund.

Other Jurisdictions

It is possible that certain dividends, interest and other income received by the Fund from sources within certain countries may be subject to withholding taxes imposed by such countries. The Fund may also be subject to capital gains taxes or other taxes in some of the countries where it purchases and sells securities or otherwise conducts business. It is impossible to predict in advance the rate of tax that will be paid since the amount of the assets of the Fund to be invested in various countries is uncertain.

* * * *

The foregoing summary does not address tax considerations which may be applicable to certain Shareholders under the laws of jurisdictions other than the BVI. The Fund has no present plans to apply for any certifications or registrations, or to take any other actions under the laws of any jurisdictions which would afford relief to local investors therein from the normal tax regime otherwise applicable to an investment in the Shares. It is the responsibility of all persons interested in purchasing the 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 the Shares. The value of the Fund's investments may also be affected by repatriation and exchange control regulations.

ADDITIONAL AND GENERAL INFORMATION

Further Issues of Segregated Portfolio Shares

The Fund may, by resolution of the Board, at any time decide to offer additional Segregated Portfolio Shares up to the amount of the maximum number of authorized Shares and, without prejudice to any special rights previously conferred on the holders of existing Segregated Portfolio Shares, to allot, issue, grant options over or otherwise dispose of the Segregated Portfolio Shares or any other classes of shares (including fractions of shares) with or without preferred, deferred or other special

rights or restrictions, whether with regard to dividend, voting or otherwise and to such persons, at such times and on such other terms as the Board will think proper, but not in a manner to reduce the financial rights of Shareholders without their consent.

Principal Object

The object of the Fund as provided for in the Memorandum of Association is not restricted. The Fund therefore has the full power and authority to carry out any object not prohibited by the laws of the British Virgin Islands.

Repurchase of Shares

The Fund is permitted to repurchase or redeem its Segregated Portfolio Shares in the circumstances described in the BVI BC Act, the Memorandum and Articles of Association and otherwise (i) in exchange for newly issued Segregated Portfolio Shares of equal value or (ii) out of capital, provided the Fund is able to satisfy the solvency test set out in the BVI BC Act. Repurchased or redeemed Segregated Portfolio Shares will be treated as cancelled but will continue to form part of the maximum number of authorized Segregated Portfolio Shares available for issue and will be available for reissue by the Fund at any time. Redemptions of Segregated Portfolio Shares will be made in accordance with the terms of this Memorandum.

Alterations to the Fund's Share Capital

The Board of Directors is empowered to increase and reduce the maximum number of authorized Shares in accordance with the provisions of the BVI BC Act.

Share Rights

The authorized shares of the Fund are divided into Voting Shares and Segregated Portfolio Participating Shares. The holders of such shares shall have the following rights:

(i) **Rights of the Voting Shares**

The holders of Voting Shares are entitled to receive notice of and to vote at general meetings of the Fund. The holders of Voting Shares shall not be entitled to any dividend or other distribution nor to any payment in a winding up in excess of the amount paid for such Shares.

(ii) **Rights of Segregated Portfolio Participating Shares**

In the event of a winding up or dissolution of the Fund (whether voluntary or involuntary or for the reorganization of the Fund or otherwise) or upon distribution of the Fund's capital, the holders of Segregated Portfolio Participating Shares are entitled to all surplus assets of that Segregated Portfolio of the Fund after payment of the value of the initial purchase price of the Voting Shares. In addition, the holders of such Segregated Portfolio Participating Shares are entitled to such dividends as the Directors may from time to time declare.

Variation of Class Rights

The rights that attach to any Class of Segregated Portfolio Shares issued, or to be issued, by the Fund (unless otherwise provided by the terms of issue of the Shares of that Class) may, whether or not the Fund is being wound up, be materially varied only with the consent in writing of the holders of not less than three-fourths of the issued shares of any such Class of Segregated Portfolio Shares, which may be affected by such variation or with the sanction of a resolution passed at a separate meeting of holders of the Shares of such Class by a majority of three-fourths of the votes cast at such meeting. It will not be deemed to be an adverse variation of the rights attaching to any particular Class of Segregated Portfolio Shares for the Fund to create or issue further Segregated Portfolio Shares ranking *pari passu* therewith.

Amendment of Memorandum and Articles of Association

Subject as provided herein, the Memorandum and Articles of Association of the Fund may be altered or amended by the passing of a resolution by the directors or by the shareholders.

Re-domiciliation of the Fund into another Jurisdiction

The Fund may, by resolution of the Board, at any time decide to re-domicile into a jurisdiction other than the British Virgin Islands and continue as a Fund incorporated under the laws of that other jurisdiction in the manner provided under those laws.

Directors' Interest in Contracts

A Director of the Fund may be or become a director or other officer of, or otherwise interested in, any company promoted by the Fund or in which the Fund may be interested as shareholder or otherwise, and no such Director will be accountable to the Fund for any remuneration or other benefits received arising from the foregoing. Provided he first declares his interest to the Fund, a Director may hold any office or place of profit under the Fund or under any company in which the Fund will be a shareholder or otherwise interested, may contract with the Fund, be interested in any contract or arrangement entered into by or on behalf of the Fund and retain any profit arising from any such office or place of profit or realized by any such contract or arrangement. Provided notice is given as described above, a Director, notwithstanding his interest, may be counted in the quorum present at any meeting and he may vote on any appointment or arrangement in which he is interested other than his own appointment or the arrangement of the terms thereof.

A general notice that a Director or officer is a member of any specified firm or company, and is to be regarded as interested in all transactions with that firm or company, will be a sufficient disclosure under the terms of the Fund's Articles of Association with regard to such Director or officer and the said transactions. After such general notice it will not be necessary for such Director or officer to give a special notice relating to any particular transaction with that firm or company.

There are no service contracts in existence between the Fund and any of its Directors, nor are any such contracts proposed.

As at the date hereof, no Director has:

- (i) any unspent convictions in relation to indictable offences; or
- (ii) been bankrupt or the subject of a voluntary arrangement or has had a receiver appointed to any asset of such Director; or

- (iii) been a director of any company which, while he was a director with an executive function or within twelve (12) months after he ceased to be a director with an executive function, had a receiver appointed or went into compulsory liquidation, creditors voluntary liquidation, administration or company voluntary arrangements, or made any composition or arrangements with its creditors generally or with any class of its creditors; or
- (iv) been a partner of any partnership which, while he was a partner or within twelve (12) months after he ceased to be a partner, went into compulsory liquidation, administration or partnership voluntary arrangement or had a receiver appointed to any partnership asset; or
- (v) had any public criticism by statutory or regulatory authorities (including recognized professional bodies); or
- (vi) been disqualified by a court from acting as a director or from acting in the management or conduct of affairs of any company.

As of the date hereof, the Directors are not aware of any interest, directly or indirectly, in ten percent (10%) or more of any Class of Segregated Portfolio Shares.

Directors' Powers

Save as provided under the laws of the British Virgin Islands, as specifically set out in the Memorandum and Articles of Association or as may be determined by the Shareholders from time to time by the passing of a resolution, the business of the Fund will be managed by the Board, who may pay all expenses incurred in setting up and registering the Fund and may exercise all the powers of the Fund. In particular, the Board may exercise all the powers of the Fund to borrow money, and to mortgage or charge the Fund's undertaking, property and uncalled capital, or any part thereof, and to issue debentures, debenture stock, bonds and other securities whether outright or as security for any debt, liability or obligation of the Fund or of any third party.

Removal of Directors

The Directors hold office subject to and in accordance with the terms of the Fund's Memorandum and Articles of Association. A Director may be removed from office at any time in accordance with the Memorandum and Articles of Association.

Reports to the Shareholders

The Fund will furnish annual reports to its Shareholders containing financial statements examined by the Fund's independent auditors. The Fund will instruct the Administrator to send Shareholders monthly reports. The Administrator will be responsible for computing the Net Asset Value of the Segregated Portfolio Shares as of each month or at such other dates as may be decided by the Directors of the Fund.

The Fund will send the annual report (in English) to Shareholders and any relevant European competent regulatory authorities in accordance with the AIFMD within six months of the end of the period to which it relates. The following information will be made available to Shareholders as part of the Fund's reporting and, as a minimum, in the annual report in accordance with the AIFMD:

- (i) the percentage of the Fund's assets which are subject to special arrangements arising from their illiquid nature, including an overview of any special arrangements in place, the valuation methodology applied to assets which are subject to such arrangements and how management and performance fees will apply to these assets;
- (ii) the current risk profile of the Fund, and information on the risk management systems used by the Investment Manager to manage those risks;
- (iii) any material changes to the information above;
- (iv) any changes to the maximum level of leverage which the Investment Manager may employ on behalf of the Fund as well as any right of the reuse of collateral or any guarantee granted under the leveraging arrangements; and
- (v) the total amount of leverage employed by the Fund.

It is intended that Shareholders will be notified immediately of any material changes to the liquidity management systems and procedures such as the suspension of redemptions, the deferral of redemptions or similar special liquidity arrangements.

Voting Rights

- (i) Holders of Segregated Portfolio Participating Shares are not entitled to receive notice of, or to attend and vote at, general meetings of the Fund save for general meetings called for the purpose of altering the rights attached to the Segregated Portfolio Participating Shares. In the foregoing scenario, the provisions of paragraph (iv) below shall apply to such Shareholders so entitled to receive notice of, or to attend and vote at, a general meeting of the Fund.
- (ii) At any general meeting, every holder of Voting Shares who (being an individual) is present in person or (being a corporation) by a duly authorized representative shall have one vote which shall be cast by a show of hands. On a poll, every such holder present as aforesaid or by proxy shall have one vote for each share held.
- (iii) At any general meeting, a majority of the Shareholders entitled to vote and attending such meeting in person or by proxy must vote to pass a resolution.
- (iv) Save for any amendment to the Memorandum and Articles of Association which materially adversely alters the rights attaching to the Segregated Portfolio Participating Shares as set forth above in "Variation of Class Rights" which requires the consent of the Shareholders, either (a) a majority of the holders of the Voting Shares who are present in person or by proxy and entitled to vote or (b) a majority of the Directors who are present in person at a meeting of the Board of Directors may resolve to rescind, alter or amend the Memorandum and Articles of Association, in each case in accordance with the provisions of the Memorandum and Articles of Association. Further, the Memorandum and Articles of Association shall not be rescinded, altered or amended unless the same shall have been proposed and approved at a meeting of the Directors.
- (v) If a proxy sent with a notice of a meeting is not completed and returned prior to the meeting and the Shareholder receiving such proxy and notice does not appear personally at such meeting, such Shareholder's Shares will be voted in the discretion of the proxy and the attorney-in-fact designated in the Subscription Agreement executed by such Shareholder.

Meetings of Shareholders

Meetings of Shareholders will be held at such time and place as may be determined by the Board in accordance with the Fund's Memorandum and Articles of Association and otherwise in accordance with British Virgin Islands law.

Documents Available for Inspection

Copies of the following documents are or, as the case may be, will be available for inspection by Shareholders and prospective investors, without charge, during normal business hours at the office of the Investment Manager for a period of not less than fourteen (14) days from the date of this Memorandum or for the duration of the offer:

- (i) the Memorandum and Articles of Association of the Fund;
- (ii) this Memorandum;
- (iii) the material contracts referred to herein;
- (iv) the Securities and Investment Business Act, 2010 of the British Virgin Islands and any amendments thereto;
- (v) the most recent annual report and audited annual reports accounts (once the first such annual report and accounts have been prepared); and
- (vi) a list of past and present directorships and partnerships held by each Director over the last five years.

Since the date of incorporation, the Fund has not commenced operations, no accounts have been made up and no dividends have been declared as at the date of the Memorandum.

This Memorandum is not intended to provide a complete description of the Fund's Memorandum and Articles of Association or its agreements with the Investment Manager and the Administrator summarized herein. Copies of all such documents are available for inspection by Shareholders and prospective investors during normal business hours at the Administrator's office.

Inquiries

Inquiries concerning the Fund and the Segregated Portfolio Shares, including information concerning subscription and redemption procedures and current Net Asset Value, should be directed to the Administrator at the address set forth in the DIRECTORY appearing elsewhere in this Memorandum.

Anti-Money Laundering

As part of the Fund's responsibility for the prevention of money laundering, the Fund and the Administrator will require a detailed verification of an investor's identity and the source of the payment from any person delivering completed Subscription Documents to the Fund.

In order to comply with regulations aimed at the prevention of money laundering in the British Virgin Islands, Ireland and the UK, verification of identity from all prospective investors to the extent required under the relevant regulations in force from time to time in the British Virgin Islands, Ireland and the UK may be required. The Fund and the Administrator therefore may request verification of

identity from all prospective investors to the extent required under the regulations and/or in accordance with the Fund's internal know your customer identification policy.

Subscriptions for Segregated Portfolio Shares will be received by the Administrator. The Administrator will notify applicants if additional proof of identity is required. By way of example, an individual may be required to produce a copy of a passport or identification card duly certified as a true copy by a notary public, law firm or bank, together with two forms of evidence of their address such as a utility bill or bank statement. In the case of corporate applicants this may require production of a copy of the certificate of incorporation (and any change of name), certificate of incorporation and by-laws (or equivalent) duly certified as a true copy by a notary public, law firm or bank and the names, occupations, dates of birth and residential and business addresses of all directors or other governing members or representatives of entity investors in line with the foregoing individual identification requirements.

The details given above are by way of example only. The Fund and the Administrator reserve the right to request such documentation as any of them deems necessary to verify the identity of the applicant and to verify the source of the relevant money. Applicants who are existing Shareholders and believe they have supplied documentation verifying their identity to the Fund or an affiliate in the past may contact the Fund or the Administrator to determine whether any additional information is necessary. Failure to provide the necessary evidence may result in applications being rejected or in delays in redemptions or in the dispatch of documents and the issuance of Segregated Portfolio Shares.

Pending the provision of satisfactory evidence as to identity, the evidence of title in respect of Segregated Portfolio Shares may be retained at the absolute discretion of the Fund. If within a reasonable period of time following a request for verification of identity, the Fund has not received evidence satisfactory to it as aforesaid, the Fund may, in its absolute discretion, refuse to allot the Segregated Portfolio Shares applied for in which event application moneys will be returned without interest to the account from which such moneys were originally debited.

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

The Fund, the Investment Manager and the Administrator will be held harmless and will be fully indemnified by a potential subscriber against any loss arising as a result of a failure to process a subscription or redemption request if such information as has been requested by any of them has not been satisfactorily provided by the applicant.

The Legal Relationship Between Investor and the Fund

By completing the Subscription Document, investors agree to subscribe for Shares and to become shareholders in the Fund. The Subscription Document is binding upon the investor and is governed, construed and enforced in accordance with the laws of the British Virgin Islands. By completing the Subscription Document, the investor will irrevocably agree that any suit, action or proceeding with respect to the Subscription Document or the Fund and any or all transactions relating thereto may be brought in the courts of the British Virgin Islands. The Fund may also commence any action, suit or proceeding or otherwise to proceed against an investor in any other jurisdiction or to

serve process upon an investor in any manner permitted by any applicable law in any relevant jurisdiction.

Miscellaneous

The Fund has no litigation or claim of material importance at the date of this document or any legal or arbitration proceedings pending or, so far as the Directors are aware, threatened against it.

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

At the date hereof, no Director nor their spouses nor their infant children has any interest, direct or indirect, in any assets which have been or are proposed to be acquired or disposed of by, or issued to, the Fund. No Director has any interest in any transaction which, since its incorporation has been effected by the Fund which is unusual in its nature and conditions or significant in relation to the business of the Fund. The Fund has not provided any loans or guarantees to its Directors.

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.

The Fund is recognized as a “Professional Fund” within the meaning of SIBA and, as such, may offer Segregated Portfolio Shares only to “Professional Investors” within the meaning of SIBA. A Professional Investor is defined in SIBA as a person:

- (a) Whose ordinary business involves, whether for its own account or for the accounts of others, the acquisition or disposal of property of the same kind as the property, or a substantial part of the property of the Fund; or
- (b) Who has signed a declaration that he or she, whether individually or jointly with his or her spouse, has a net worth in excess of one million dollars in United States currency or its equivalent in any other currency and that he or she consents to being treated as a professional investor.

Recognition of the Fund as a professional fund under SIBA does not involve any examination of the merits of an investment in the Fund or substantive supervision of the investment performance or portfolio constitution of the Fund by the Government of the British Virgin Islands or the Commission. There are no financial obligations or compensation schemes imposed on the Fund by the Commission or the Government of the British Virgin Islands that favour investors or that are available to investors in the Fund.

The Commission may in certain circumstances take enforcement action against the Fund. Enforcement action may include, cancellation, revocation or suspension of the recognition of the Fund as a professional fund and issuing a directive imposing prohibitions, restrictions or limitations on the Fund or requiring the Fund to take such action as the Commission considers may be necessary to protect the property of, or in the custody, possession or control of the Fund, or to protect investors or creditors of the Fund. Circumstances in which enforcement action could be taken include where the Fund has contravened or is in contravention of SIBA, the Regulations, the Anti-money Laundering Regulations, 2008 (as amended) or the Anti-money Laundering and Terrorist Financing Code of Practice, 2008 (as amended); where the Fund no longer satisfies the criteria for recognition as a professional fund under

SIBA and the Regulations; and where a functionary of the Fund does not, in the Commission's opinion, satisfy its fit and proper criteria.

The minimum initial investment in the Fund shall not be less than U.S.\$100,000 (or its equivalent in another currency).

As a professional fund, the Fund is required to pay an annual recognition fee of U.S.\$350 for the year commencing 1 January 2010 and U.S.\$1,000 for any year thereafter.

The Fund is required under the Mutual Funds Regulations, 2010 (hereinafter referred to as the "Regulations") to prepare financial statements for each financial year that comply with accounting standards specified in the Regulations. The Fund is required to appoint and at all times have an auditor for the purposes of auditing its financial statements (although the Commission may exempt the Fund from such requirement upon written application to the Commission). A copy of the audited financial statements (to the extent required) shall be provided to the Commission within six months after the financial year end of the Fund for the financial statements or such extended period generally not exceeding fifteen months as the Commission may approve in writing.

Investors should inform themselves to (a) the legal requirements within their own countries as to the purchase of Shares, (b) any foreign exchange restrictions that they might encounter, and (c) the income and tax consequences of a purchase of Shares.

APPENDIX A

DEFINITION OF U.S. PERSON

The definition of “U.S. Person” under Regulation S of the U.S. Securities Act of 1933, as amended (the “Act”), is set forth below.

- (1) “U.S. Person” means:
 - (i) any natural person resident in the United States;
 - (ii) any partnership or corporation organized or incorporated under the laws of the United States;
 - (iii) any estate of which any executor or administrator is a U.S. Person;
 - (iv) any trust of which any trustee is a U.S. Person;
 - (v) any agency or branch of a foreign entity located in the United States;
 - (vi) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. Person;
 - (vii) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organized, incorporated, or (if an individual) resident in the United States; or
 - (viii) any partnership or corporation if:
 - (A) organized or incorporated under the laws of any foreign jurisdiction; and
 - (B) formed by a U.S. Person principally for the purpose of investing in securities not registered under the Act, unless it is organized or incorporated, and owned, by accredited investors (as defined in Rule 501(a) under the Act) who are not natural persons, estates or trusts.

(2) Notwithstanding (1) above, any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a non-U.S. Person by a dealer or other professional fiduciary organized, incorporated, or (if an individual) resident in the United States shall not be deemed a “U.S. Person.”

(3) Notwithstanding (1) above, any estate of which any professional fiduciary acting as executor or administrator is a U.S. Person shall not be deemed a U.S. Person if:

- (i) an executor or administrator of the estate who is not a U.S. Person has sole or shared investment discretion with respect to the assets of the estate; and
- (ii) the estate is governed by foreign law.

(4) Notwithstanding (1) above, any trust of which any professional fiduciary acting as trustee is a U.S. Person shall not be deemed a U.S. Person if a trustee who is not a U.S. Person has sole or shared investment discretion with respect to the trust assets, and no beneficiary of the trust (and no settlor if the trust is revocable) is a U.S. Person.

(5) Notwithstanding (1) above, an employee benefit plan established and administered in accordance with the law of a country other than the United States and customary practices and documentation of such country shall not be deemed a U.S. Person.

(6) Notwithstanding (1) above, any agency or branch of a U.S. Person located outside the United States shall not be deemed a "U.S. Person" if:

the agency or branch operates for valid business reasons; and

the agency or branch is engaged in the business of insurance or banking and is subject to substantive insurance or banking regulation, respectively, in the jurisdiction where located.

(7) The International Monetary Fund, the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, the United Nations, and their agencies, affiliates and pension plans, and any other similar international organizations, their agencies, affiliates and pension plans shall not be deemed "U.S. Persons."

APPENDIX B

SUPPLEMENT TO THE CONFIDENTIAL INFORMATION MEMORANDUM FOR THE
CKO FUND SEGREGATED PORTFOLIO

THE CKO FUND SEGREGATED PORTFOLIO CLASS B SHARES, THE CKO FUND SEGREGATED PORTFOLIO CLASS H SHARES AND THE CKO FUND SEGREGATED PORTFOLIO CLASS X SHARES OF ANTARCTICA ALPHA ACCESS PORTFOLIO SPC LTD. ARE REFERRED TO HEREIN, SINGLY, AS “THE CKO FUND SEGREGATED PORTFOLIO CLASS B SHARES”, “THE CKO FUND SEGREGATED PORTFOLIO CLASS H SHARES” AND “THE CKO FUND SEGREGATED PORTFOLIO CLASS X SHARES”, RESPECTIVELY. THE CKO FUND SEGREGATED PORTFOLIO CLASS B SHARES, THE CKO FUND SEGREGATED PORTFOLIO CLASS H SHARES AND THE CKO FUND SEGREGATED PORTFOLIO CLASS X SHARES MAY ALSO BE REFERRED TO, COLLECTIVELY, AS THE “CKO FUND SEGREGATED PORTFOLIO SHARES”.

CKO FUND SEGREGATED PORTFOLIO

A SEGREGATED PORTFOLIO OF ANTARCTICA ALPHA ACCESS PORTFOLIO SPC LTD.

SUPPLEMENT TO THE CONFIDENTIAL INFORMATION MEMORANDUM OF

**ANTARCTICA ALPHA ACCESS PORTFOLIO SPC LTD. (the “Fund”)
IN RELATION TO
THE PRIVATE OFFERING OF SEGREGATED PORTFOLIO PARTICIPATING SHARES OF
CKO FUND SEGREGATED PORTFOLIO**

April 12, 2022

**Price per Share of CKO Fund Segregated Portfolio Class B Shares, CKO Fund Segregated
Portfolio Class H Shares and CKO Fund Segregated Portfolio Class X Shares, each:
U.S.\$100**

**Minimum initial Subscription for CKO Fund Segregated Portfolio Class B Shares:
U.S.\$250,000**

**Minimum initial Subscription for CKO Fund Segregated Portfolio Class H Shares:
U.S.\$100,000**

**Minimum initial Subscription for CKO Fund Segregated Portfolio Class X Shares:
U.S.\$100,000**

**Investment Manager: Antarctica Asset Management, Ltd.
Administrator: Citco Fund Administration (Cayman Islands) Limited**

NOTICE

THIS SUPPLEMENT SHOULD ONLY BE READ IN CONJUNCTION WITH THE MEMORANDUM OF THE FUND AND IS INTENDED SOLELY FOR THE USE OF THE PERSON TO WHOM IT HAS BEEN DELIVERED BY THE FUND FOR THE PURPOSE OF EVALUATING A POSSIBLE INVESTMENT BY THE RECIPIENT IN THE SEGREGATED PORTFOLIO SHARES DESCRIBED HEREIN, AND IT IS NOT TO BE REPRODUCED OR DISTRIBUTED TO ANY OTHER PERSONS (OTHER THAN PROFESSIONAL ADVISORS OF THE PROSPECTIVE INVESTOR RECEIVING THIS DOCUMENT FROM THE FUND).

IT IS THE RESPONSIBILITY OF ANY RECIPIENT OF THIS SUPPLEMENT TO CONFIRM AND OBSERVE ALL APPLICABLE LAWS AND REGULATIONS. THE FOLLOWING NON-EXHAUSTIVE INFORMATION IS PROVIDED BY WAY OF EXAMPLE AS A GENERAL GUIDE ONLY:

The information provided in this Supplement in relation to CastleKnight Offshore Fund Ltd. (the “Underlying Fund”) and CastleKnight Management LP (the “Underlying Fund Manager”) is solely based on the information contained in the Confidential Explanatory Memorandum of CastleKnight Offshore Fund Ltd, dated October 2020 (the “Underlying Fund Documents”) as provided to the Fund and the Investment Manager. Neither the Fund nor the Investment Manager have made any enquiries as to matters of fact in relation to the Underlying Fund and the Underlying Fund Manager. The Fund and the Investment Manager have assumed without further enquiry the accuracy and completeness of the copy of the CKO Confidential Explanatory Memorandum received, and the accuracy of any and all representations of fact expressed in or implied thereby.

Copies of the Confidential Information Memorandum of the Fund, the Memorandum and Articles of Association of the Fund, the BVI Business Companies Act, 2004 (as amended), the Securities and Investment Business Act, 2010, the Mutual Funds Regulations, 2010, the Administration Agreement, the Custodian Agreement, the latest annual report and audited accounts, the auditors letter of consent and the list of past and current directorships held by each director of the Fund over the past five years may be inspected free of charge during normal business hours on any week day other than a Saturday, Sunday or public holiday at the offices of the Administrator or the Investment Manager.

An investment in the Fund and a subscription for participating, redeemable, non-voting segregated portfolio shares in the CKO Fund Segregated Portfolio of the Fund (the “CKO Fund Segregated Portfolio Shares”) is highly illiquid. CKO Fund Segregated Portfolio Shares issued by the Fund may generally be redeemed as of the last Business Day (as defined below) of each calendar quarter upon at least 65 (sixty-five) calendar days’ prior notice, subject to any restrictions imposed by the Fund. Redemption requests made by an investor in the Fund may be affected by redemption restrictions imposed by the Underlying Fund. Accordingly, the Fund’s ability to satisfy redemption requests from an investor may be also subject to the Underlying Fund’s ability to satisfy redemption requests from the Fund.

The Fund’s ability to redeem CKO Fund Segregated Portfolio Shares may also be affected if the calculation of the net asset value of the Underlying Fund is not being provided to the Fund as at the relevant Redemption Date (as defined herein).

Accordingly, there can be no assurance that the Fund will be able to satisfy redemption requests on behalf of the CKO Fund Segregated Portfolio in full or in part as of any particular Redemption Date. Only sophisticated investors who are willing and financially able to commit to the Fund on a long-term basis, irrespective of changes in the general economic outlook, the Underlying Fund and/or other factors, should consider investing in CKO Fund Segregated Portfolio Shares.

THE FUND IS A HIGHLY SPECULATIVE AND ILLIQUID INVESTMENT THAT INVOLVES A HIGH DEGREE OF RISK.

CKO FUND SEGREGATED PORTFOLIO

of Antarctica Alpha Access Portfolio SPC Ltd. (the “Fund”)

SUMMARY

The information set out below is a summary of certain important terms and should be read in conjunction with the full text of the Supplement of the CKO Fund Segregated Portfolio, a segregated portfolio of the Fund (the “Supplement”), and the confidential information memorandum of the Fund (the “Memorandum”).

The Fund

The Fund is an open-end investment company incorporated as a BVI segregated portfolio company under the BVI Business Companies Act, 2004 (as amended) of the British Virgin Islands (the “BVI BC Act”) on 19 July 2013. Pursuant to its Memorandum and Articles of Association, it is a single corporate entity with the benefit of statutory segregation of assets and liabilities between segregated portfolios, each of which is referred to in this Supplement as a “Segregated Portfolio”, including the CKO Fund Segregated Portfolio. The Fund is a "professional fund" within the meaning of the Securities and Investment Business Act, 2010 ("SIBA") and accordingly CKO Fund Segregated Portfolio Shares (as defined herein) in the Fund are only being offered to and will only be issued to "professional investors" within the meaning of SIBA.

The Offering

The Fund is currently offering the following classes of participating, redeemable, non-voting shares of CKO Fund Segregated Portfolio: CKO Fund Segregated Portfolio Class B Shares, CKO Fund Segregated Portfolio Class H Shares and CKO Fund Segregated Portfolio Class X Shares (the “CKO Fund Segregated Portfolio Class B Shares”, “CKO Fund Segregated Portfolio Class H Shares” and the “CKO Fund Segregated Portfolio Class X Shares”, respectively), all denominated in U.S. Dollars. The CKO Fund Segregated Portfolio Class B Shares, CKO Fund Segregated Portfolio Class H Shares and CKO Fund Segregated Portfolio Class X Shares are collectively referred to herein as the “CKO Fund Segregated Portfolio Shares” or the “CKO Fund Segregated Portfolio Participating Shares”.

Voting, non-participating shares of the Fund are held by Antarctica Asset Management, Ltd. (the “Voting Shares”).

CKO Fund Segregated Portfolio

The Fund shall create an account for CKO Fund Segregated Portfolio and each Class of CKO Fund Segregated Portfolio Shares. Investors shall provide consideration in exchange for CKO Fund Segregated Portfolio Shares and that consideration shall be used to make investments which shall be held specifically for CKO Fund Segregated Portfolio. Profits and losses generated on those investments shall be applied solely to the account established for CKO Fund Segregated Portfolio.

Redemption proceeds, dividends and other distributions will be paid out of the assets allocated to CKO Fund Segregated Portfolio; liabilities of the Fund will be allocated to the CKO Fund Segregated Portfolio if related to the CKO Fund Segregated Portfolio.

The assets and liabilities attributable to the CKO Fund Segregated Portfolio are legally segregated from the assets and liabilities attributed to any other segregated portfolio of the Fund and are legally segregated from the assets and liabilities which are not attributable to any segregated portfolio of the Fund, including the CKO Fund Segregated Portfolio (which comprise the general assets (hereinafter referred to as the “General Assets”) and liabilities of the Fund). The Directors have overall responsibility for the management and administration of the Fund and the CKO Fund Segregated Portfolio. Management of the assets attributed to the CKO Fund Segregated Portfolio and the General Assets, if any, of the Fund has been delegated by the Directors to the Investment Manager. Day-to-day administration of the CKO Fund Segregated Portfolio has been delegated to the Fund’s administrator, Citco Fund Administration (Cayman Islands) Limited (the “Administrator”).

Investment Objective

The investment objective of the Fund in relation to investments made on behalf of CKO Fund Segregated Portfolio is to seek superior capital appreciation by implementing an event driven/special situations investment strategy, by allocating substantially all of its assets into CastleKnight Offshore Fund Ltd., (the “Underlying Fund”), a company incorporated with limited liability under the laws of the Cayman Islands on March 17th, 2020. The Investment Manager intends to invest in the founders’ sub-class A-1 common shares of the Underlying Fund.

Minimum Initial Investment

The minimum initial investment is U.S. \$100,000 for CKO Fund Segregated Portfolio Class H Shares and CKO Fund Segregated Portfolio Class X Shares, and U.S.\$250,000 for CKO Fund Segregated Portfolio Class B Shares.

Class X Eligibility

CKO Fund Segregated Portfolio Class X Shares are only available for investment by certain investors located or advised in the United Kingdom or other jurisdictions where local regulations prohibit distribution fees and/or where such investment is made as part of an overall investment management service and/or to any employees of the Investment Manager and appointed sales agents. The determination for eligibility is made by the Investment Manager in its sole discretion. Investors who wish to subscribe for Class X Segregated Portfolio Shares who are deemed not eligible for Class X Segregated Portfolio Shares will be issued Class B Segregated Portfolio Shares or Class H Segregated Portfolio Shares, depending upon minimum investment amount.

Subscriptions

CKO Fund Segregated Portfolio Shares may be purchased on the first Business Day of each calendar month and any other day approved by the board of directors of the Fund (the “Board” or the “Directors”) in its sole discretion (each a “Subscription Date”). Upon subscription, investors subscribing for CKO Fund Segregated Portfolio Shares will receive CKO Fund Segregated Portfolio Shares with respect to the relevant Class.

Completed subscription materials must be received by the Administrator at least 6 (six) Business Days prior to the Subscription Date on which prospective investors wish to subscribe for CKO Fund Segregated Portfolio Shares. Cleared funds must be in the Fund’s account allocated to CKO Fund Segregated Portfolio at least 6 (six) Business Days prior to the Subscription Date on which prospective investors wish to subscribe for CKO Fund Segregated Portfolio Shares. The term “Business Day” refers to any day when the banks in the U.S., Cayman Islands, Ireland and the BVI are open. Upon acquiring CKO Fund Segregated Portfolio Shares and being entered as shareholder in the register of shareholders of the Fund, an investor becomes a shareholder in the Fund (the “Shareholder”).

Redemptions

Generally, a Shareholder may redeem CKO Fund Segregated Portfolio Shares upon at least 65 (sixty-five) calendar days’ prior written notice to the Fund and to the Administrator, as of the last Business Day of each calendar quarter, or at such other times as the Board determines in its sole discretion (the “Redemption Date”), at the then current Net Asset Value per CKO Fund Segregated Portfolio Share of the relevant Class (as the case may be). The Fund may, in its sole discretion, waive in whole or in part, the notice requirement with respect to any or all holders of CKO Fund Segregated Portfolio Shares.

Subject to any other restrictions imposed pursuant to this Supplement, a Shareholder’s ability to redeem CKO Fund Segregated Portfolio Shares as of any Redemption Date is also subject to CKO Fund Segregated Portfolio’s ability to make corresponding redemptions from the Underlying Fund as well as its ability to determine its Net Asset Value as of such Redemption Date. The CKO Fund Segregated Portfolio’s ability to redeem shares from the Underlying Fund (and accordingly satisfy Shareholders’ redemption requests) may be limited by the suspension of redemptions or the imposition of the redemption gate at the Underlying Fund level, which may limit the amount of shares the CKO Fund Segregated Portfolio can redeem from the Underlying Fund in one or more calendar quarters.

Soft Lock-up. Shareholders are generally entitled to redeem all or any portion of their Shares; provided, however, that if a Shareholder redeems its Shares prior to the last calendar day of

the calendar quarter immediately preceding the one-year anniversary of such Shareholder's initial Subscription for such Shares (the "Lock-up Period"), such Shareholder will be subject to an early redemption fee equal to 4% (four per cent) of such redemption proceeds. The Board may waive or reduce the Lock-up Period with respect to any Shareholder in its sole discretion.

Redemption Gate. Shareholders may effect, for a particular Redemption Date, redemptions of up to 25% (twenty five per cent) of the applicable Net Asset Value of the Fund in respect of CKO Fund Segregated Portfolio (the "Redemption Gate"). Should the Redemption Gate be applicable, redemption requests for Shares falling due on the relevant Redemption Date will be processed on a pro rata basis of the amounts requested under the respective redemption requests. Redemption requests which, by virtue of the Redemption Gate, do not occur on any particular Redemption Date will be carried forward for realization on the next Redemption Date, and will continue to be subject to the Redemption Gate on a pro rata basis of all the Redemptions requested (whether deferred or not) falling due on that Redemption Date.

Payment of Redemptions

The Fund generally pays redemption proceeds in full on the basis of unaudited data within 45 (forty-five) days from the corresponding Redemption Date. However, if a Shareholder elects to redeem more than 90% (ninety per cent) of its outstanding Shares on any Redemption Date, at least 95% (ninety-five per cent) of the Net Asset Value of the Shares to be redeemed as of the relevant Redemption Date (computed on the basis of unaudited data) will be paid (net of any reserves and Underlying Fund holdbacks) within forty-five (45) days with the balance payable within a reasonable time after completion of the Fund's year end audit.

The Fund may, in the absolute discretion of the Board, postpone the payment of some or all of the redemption proceeds for any period during which the Underlying Fund has postponed the date of payment of redemption proceeds, suspended redemptions or the calculation of Net Asset Values, limited redemptions (including, without limitation, the imposition of a redemption gate by the Underlying Fund) or has otherwise restricted the Fund's ability to redeem capital from the Underlying Fund. The Board of Directors may, as well, reduce or waive, in whole or in part the amount held.

Form of Redemption Payments

The Fund expects to pay redemption proceeds in cash, although the Fund may pay redemption or distribution proceeds in-kind in the discretion of the Investment Manager, primarily in the event that the Fund itself receives an in-kind distribution from the Underlying Fund. The payment of in-kind redemptions may require the prior written consent of the Underlying Fund if such

in-kind redemption consists of the transfer of shares in the Underlying Fund to a Shareholder.

Suspension of Redemptions

The Fund's ability to satisfy redemption requests on behalf of CKO Fund Segregated Portfolio as of any particular Redemption Date is subject to the Fund's ability to make corresponding redemptions from the Underlying Fund and the Fund's ability to determine its Net Asset Value as of any particular Redemption Date. The Fund will not permit redemptions during any period when the Underlying Fund has suspended redemptions or the calculation of net asset values or has otherwise restricted the Fund's ability to redeem shares from the Underlying Fund.

Mandatory Redemption

The Fund on behalf of the CKO Fund Segregated Portfolio may mandatorily redeem part or all of the CKO Fund Segregated Portfolio Shares held by a particular Shareholder if the Board determines that such Shareholder's continued holding of CKO Fund Segregated Portfolio Shares could result in adverse consequences to the Fund or the CKO Fund Segregated Portfolio or is below the minimum level established by the Fund (including any increase in such minimum level that the Fund may implement in the future), as well as for any other reason. The Fund on behalf of the CKO Fund Segregated Portfolio will redeem all of its outstanding shares in the Underlying Fund (to the extent it is permitted to redeem from the Underlying Fund) in the event that the continued operation of the CKO Fund Segregated Portfolio would become impracticable, imprudent or uneconomical for reasons including, but not limited to, a decline in the amount invested in the Fund or circumstances relating to the Underlying Fund or the Underlying Fund Manager. The ability of the Fund on behalf of the CKO Fund Segregated Portfolio to effect mandatory redemptions will be limited by the Fund's limited ability on behalf of the CKO Fund Segregated Portfolio to redeem from the Underlying Fund. Accordingly, even if a mandatory redemption would be in the best interests of the Fund on behalf of the CKO Fund Segregated Portfolio, the Fund on behalf of the CKO Fund Segregated Portfolio may not be able to effect such a redemption. The Underlying Fund may require the Fund on behalf of the CKO Fund Segregated Portfolio to redeem from the Underlying Fund in whole or in part. If the Fund on behalf of the CKO Fund Segregated Portfolio investment in the Underlying Fund is mandatorily redeemed, the Fund itself on behalf of the CKO Fund Segregated Portfolio will be required to mandatorily redeem CKO Fund Segregated Portfolio Shares. Any redemption fees payable by the Fund on behalf of the CKO Fund Segregated Portfolio levied by the Underlying Fund in the event of a mandatory redemption will be allocated proportionally to all Shareholders in the CKO Fund Segregated Portfolio.

Net Asset Value

The Net Asset Value of CKO Fund Segregated Portfolio means the assets attributable to the CKO Fund Segregated Portfolio, less

liabilities, any accrued but unpaid expenses (including the Management Fee, as such term is defined below) and reasonable reserves. Each Class of CKO Fund Segregated Portfolio Shares (as applicable) will have its respective Net Asset Value determined in accordance with the foregoing and based upon the assets and liabilities attributable to the particular Class of CKO Fund Segregated Portfolio Shares. The Net Asset Value per Class of CKO Fund Segregated Portfolio Shares is determined by dividing such Class of CKO Fund Segregated Portfolio Shares' Net Asset Value by the number of CKO Fund Segregated Portfolio Shares of such Class then outstanding. The Net Asset Value of the CKO Fund Segregated Portfolio and each Class of CKO Fund Segregated Portfolio Shares, as applicable, will be calculated as of the last calendar day of each month, each Redemption Date (as defined herein) and any other day when such computation is necessary or appropriate. See "DETERMINATION OF NET ASSET VALUE" in the Memorandum.

No Dividends

The Fund on behalf of the CKO Fund Segregated Portfolio does not intend to declare any dividends.

Use of Borrowings

The Fund on behalf of the CKO Fund Segregated Portfolio may borrow funds at market interest rates from financial institutions or from the Investment Manager for cash management purposes in connection with, among other things, anticipating additional future subscriptions, funding redemptions and addressing timing issues associated with the acquisition of investments. The Fund on behalf of the CKO Fund Segregated Portfolio does not intend to borrow capital for the sole purpose of leveraging its investment in the Underlying Fund. However, the use of borrowed capital by the Fund on behalf of the CKO Fund Segregated Portfolio (if any) for any purpose will have the effect of leveraging the Fund's investments in the Underlying Fund.

Fees

Management Fee. The Investment Manager receives, on a monthly basis, an asset-based fee equal to 1/12th of 1.45% (0.120833% monthly) of the aggregate Net Asset Value of CKO Fund Segregated Portfolio Class H Shares, 1/12th of 0.90% (0.075% monthly) of the aggregate Net Asset Value of CKO Fund Segregated Portfolio Class B Shares and 1/12th of 0.55% (0.04583% monthly) of the aggregate Net Asset Value of CKO Fund Segregated Portfolio Class X Shares.

The Management Fee is based upon the sum of the applicable Class of CKO Fund Segregated Portfolio Shares' Net Asset Values as of the last calendar day of the preceding month, inclusive of subscriptions at the then following Subscription Date, or at any other relevant time as the Net Asset Value may be calculated.

Performance Fee. The Investment Manager will not receive a performance-based fee in respect of Class B Segregated Portfolio Shares, Class H Segregated Portfolio Shares or Class X Segregated Portfolio Shares.

Operating Costs

The Fund will pay and in turn allocate to each Segregated Portfolio of the Fund, including the CKO Fund Segregated Portfolio on a *pro rata* basis calculated on the respective Net Asset Value of each Segregated Portfolio as of the last calendar day of each month, all of its on-going operating costs, including, without limitation: on-going offering fees and expenses; transaction costs; administrative, custody, transfer, subscription and redemption processing fees and expenses; legal, regulatory, filing, tax, audit, accounting and printing fees and expenses; and extraordinary expenses. In addition, the Fund will pay and in turn allocate to each Segregated Portfolio such portion of the amortized organizational and initial offering costs incurred in the launch of the Fund and any Segregated Portfolio. Such costs will be allocated *pro rata* among each Class of the Segregated Portfolio's Shares based on their respective Net Asset Values.

The Fund has retained outside service providers to supply certain services, including, but not limited to, transfer agency, tax reporting, custody and accounting services, to the Fund. The Fund's operating costs include the fees and expenses of such service providers, as well as the fees and expenses of any other service provider which may provide such (or other) services in the future will be paid by the Fund and in turn allocate to each Segregated Portfolio on a *pro rata* basis calculated on the respective Net Asset Values of each Segregated Portfolio in operation.

Ongoing Compensation Paid by the Investment Manager

The Investment Manager will pay on-going compensation to any selling agent, at no additional cost to the Fund or its investors.

Cash Reserve

Substantially all of CKO Fund Segregated Portfolio's capital is invested in the Underlying Fund. However, the Fund on behalf of the CKO Fund Segregated Portfolio generally maintains a reasonable cash reserve to manage cash flows, pay expenses or other potential liabilities and/or facilitate redemption payments. The CKO Fund Segregated Portfolio's cash reserve will be deposited in bank or other interest-bearing accounts or invested in money-market funds, other short-term, liquid investment vehicles or instruments and/or U.S. Treasury bills. The Fund may maintain its cash reserve on behalf of the CKO Fund Segregated Portfolio in deposit or similar accounts with the Custodian, as well as with unaffiliated entities. All interest actually earned on the Fund's cash reserve on behalf of the CKO Fund Segregated Portfolio will be paid to the CKO Fund Segregated Portfolio.

Risk Factors

The CKO Fund Segregated Portfolio Shares are a highly speculative and illiquid investment that involves a significant degree of risk. In addition to the risks particular to the Fund, an investment in the CKO Fund Segregated Portfolio is subject to the same high degree of risk as a direct investment into the Underlying Fund. Neither the Fund nor the Investment Manager has any control over the operation of, or the investment decisions made for, the Underlying Fund. The use of borrowed capital and/or other forms of leverage by the CKO Fund Segregated Portfolio or the Underlying Fund increases both risk and profit potential. The use of leverage can, in certain circumstances, substantially increase the volatility and potential losses to which the CKO Fund Segregated Portfolio may be subject. Investors may lose all or substantially all of their investment in CKO Fund Segregated Portfolio.

The information provided in this Supplement in relation to the Underlying Fund and the Underlying Fund Manager is solely based on the information contained in the Underlying Fund Documents as provided to the Fund and the Investment Manager.

INVESTMENT PROGRAM IN RELATION TO CKO FUND SEGREGATED PORTFOLIO

Investment Objective

The investment objective of the Fund in relation to investments made on behalf of CKO Fund Segregated Portfolio is to seek superior capital appreciation by implementing an event driven/special situations investment strategy, by allocating substantially all its assets into CastleKnight Offshore Fund, Ltd., a company incorporated with limited liability under the laws of the Cayman Islands on March 17th, 2020 (the “Underlying Fund”). The Fund intends to invest in founders’ sub-class A-1 common shares of the Underlying Fund, the terms of which are described herein. The Fund may invest in other classes of shares of the Underlying Fund, provided that the terms of such shares are substantially similar to those applicable to the founders’ sub-class A-1 common shares.

The Underlying Fund, as part of a master-feeder structure, invests substantially all of its assets in CastleKnight Master Fund L.P., a limited partnership organized under the laws of the Cayman Islands (the “Underlying Master Fund”). CastleKnight Onshore Fund LP, a Delaware, U.S.A. limited partnership (the “Underlying U.S. Fund”), will invest substantially all its assets in the Underlying Master Fund.

Unless otherwise indicated, references in this Supplement to the investment activities of the Underlying Fund mean the investment activities of the Underlying Fund through the Underlying Master Fund and other references to the Underlying Fund may, to the extent appropriate, include both the Underlying Fund and the Underlying Master Fund.

Underlying Fund Manager

CastleKnight Management LP, a Delaware, U.S. limited partnership (the “Underlying Fund Manager”), is the investment manager of the Underlying Fund and is responsible for investment advisory and certain administrative matters. The Underlying Fund Manager is registered as an investment adviser with the U.S. Securities and Exchange Commission pursuant to the U.S. Investment Advisers Act of 1940, as amended. The Underlying Fund Manager also serves as the investment manager of the Underlying Master Fund and the Underlying U.S. Fund. The general partner of the Underlying Fund Manager is CastleKnight Management GP LLC. Weitman Capital LLC is the managing member of the general partner of the Underlying Fund Manager. Aaron Weitman is the sole manager of Weitman Capital LLC.

Investment Objective and Strategy of the Underlying Fund

According to the Underlying Fund Documents, the investment objective of the Underlying Fund is to achieve superior capital appreciation by implementing an event driven/special situations investment strategy. The Underlying Fund Manager aims to remain nimble and invest across the capital structures of companies of varying sizes by deploying multiple strategies, including value investing, distressed investing, performing credit investing, passive activism, and merger arbitrage. The Underlying Fund Manager will use fundamental, bottoms-up analysis to identify attractive investment opportunities, developing many positions around catalysts such as changes in business operations, potential

monetizations, and/or reorganizations of capital structures in industries in which its team holds deep knowledge and sees underappreciated investment opportunities.

There can be no assurance that the Master Fund will realize its investment objective.

High-Yield Bonds. The Underlying Fund will invest in publicly-traded and privately-placed high-yield bonds. The Underlying Fund's long investments will be concentrated in companies which are believed to have above average prospects for credit improvement, including issuers which have become, or are believed likely to become, merger or acquisition candidates or as to which some other external event may have a significant impact. The Underlying Fund will also invest in securities which are believed to have a high likelihood of being called for redemption prior to maturity.

Bankruptcies and Reorganizations. The Underlying Fund will invest in loans to, and securities and other indebtedness (including trade claims) of, companies which are operating in bankruptcy, may imminently file for bankruptcy, or are operating in financial distress. The Underlying Fund may trade in securities to be issued under a plan of reorganization on a "when issued" basis. The Underlying Fund may acquire equity securities as a result of its trading activities relating to companies in bankruptcy or reorganization proceedings, including controlling positions.

Sovereign and Emerging Markets Debt. The Underlying Fund will invest in U.S.-dollar and non-U.S.-dollar denominated loans to, and debt securities issued or guaranteed by, foreign governments. In making investments in securities issued by foreign governments, the Underlying Fund Manager applies a credit analysis analogous to that which it applies to private debt issuers.

Mortgage-Backed and Asset-Backed Securities. The Underlying Fund may invest in mortgage-backed securities, asset-backed securities, collateralized debt obligations and other similar instruments and related derivatives.

Equities. The Underlying Fund will invest in common and preferred stocks which the Underlying Fund Manager believes to be significantly undervalued. In making its equity investments, the Underlying Fund Manager will use the past experience of its principals in valuing companies. The Underlying Fund Manager may also create short positions in companies which are believed to be significantly overvalued using the same methodology. The Underlying Fund may purchase or write options as a substitute for underlying equity positions. The Underlying Fund may also acquire equity securities as a result of corporate reorganizations, bankruptcies, mergers and acquisitions or other extraordinary transactions affecting portfolio companies, including, in certain circumstances, controlling positions.

Bank Loans. The Underlying Fund will invest in bank loans. Bank loans typically rank ahead of publicly-traded debt securities in terms of liquidation preference and security. Security interests granted with respect to the loans generally will allow for substantially higher recovery in the event of a reorganization or liquidation of the borrower.

The loans to be purchased by the Underlying Fund will generally be variable or floating rate instruments, linked to a recognized base lending rate such as the prime rate quoted by one or more major U.S. banks or the London Inter-Bank Offered Rate ("LIBOR"). The Underlying Fund may finance a portion of the purchase of such loans with floating rate borrowings. Although bank loans are not registered under the securities laws and were historically less liquid than other types of debt instruments, syndicated bank loans and other senior debt instruments now trade in an active secondary market among banks, hedge funds and other investors.

Futures. The Underlying Fund may enter into transactions in stock index and interest rate futures contracts and options on such futures contracts in order to hedge its underlying securities portfolio or for other purposes.

Stock Options and Stock Index Options. From time to time, the Underlying Fund may purchase put and call options on stocks and stock index options. A call option gives the purchaser of the call option, in return for a premium paid, the right to buy the security underlying the option from the writer of the call option at a specified exercise price at any time during the term of the option. A put option gives the purchaser of the put option, in return for a premium, the right to sell the underlying security to the writer of the put option at a specified price during the term of the option. Options on stock indices are similar to options on stock except that, rather than the right to take or make delivery of a stock at a specified price, an option on a stock index gives the holder the right to receive, upon exercise of the option, an amount of cash if the closing level of the stock index upon which the option is based is greater than, in the case of a call, or less than, in the case of a put, the exercise price of the option.

Non-dollar Investments. Although U.S. dollar denominated investments are expected to constitute the major part of the Underlying Fund's assets, the Underlying Fund will not be limited to investments denominated in U.S. dollars.

Non-U.S. Investments. In connection with the above strategies, the Underlying Fund may invest in debt and/or equity securities or other obligations of non-U.S. companies, including companies in emerging markets. Such investments may offer considerably greater potential returns, but may also involve more complex risks, including the application of different bankruptcy and receivership statutes affecting the rights of creditors in foreign venues. The securities or other obligations of non-U.S. companies may be denominated in U.S. dollars or foreign currencies. The incurrence of foreign currency exposure adds a degree of risk which the Underlying Fund Manager may at its discretion leave unhedged.

Forward Foreign Exchange Contracts. To the extent that the Underlying Fund invests in securities of non-U.S. issuers or securities not denominated in U.S. Dollars, the Underlying Fund may enter into forward currency exchange contracts or transactions in the spot (*i.e.*, cash) market or, subject to compliance with applicable regulatory provisions, currency futures or options contracts for the purchase or sale of currency for various purposes, including to "lock in" the U.S. Dollar price of the securities denominated in a non U.S. currency or the U.S. Dollar equivalent of interest and dividends to be paid on such securities; to hedge against the possibility that the currency of a country in which the Underlying Fund has investments may suffer a decline against the U.S. Dollar; or for other purposes consistent with the Underlying Fund's investment objective. The Underlying Fund is not obligated to engage in any such currency hedging operations, and there can be no assurance as to the success of any hedging operations which the Underlying Fund may implement.

Other Investments. The Underlying Fund may also purchase and sell other instruments and enter into other contracts traded in the over-the-counter market, such as options, swaps, caps and floors, as well as newly developed investment products which may combine elements of options and futures contracts with those of other financial instruments. Such instruments and contracts may not be traded on any organized exchange, and may be entered into with banks, brokerage firms or other financial institutions as counterparty.

Diversification. The Underlying Fund is not subject to any limits on concentration and may invest a substantial percentage of its assets in any single industry or issuer.

Leverage. The Underlying Fund may attempt to maximize the return on certain of its assets by entering into repurchase agreements, total return swaps and over-the-counter put and call option

transactions involving portfolio securities or borrowing against such securities up to the maximum amounts permitted by law. Securities purchased through borrowings will generally be pledged as collateral. Obtaining loans against securities positions and entering into total return swaps and over-the-counter put and call option transactions involving such securities increases the potential gains and losses from the Underlying Fund's investments in such activities. The Underlying Fund Manager may attempt to reduce such risks through the use of hedging techniques, including the purchase or sale of options as well as the simultaneous purchase or sale of U.S. government securities.

According to the Underlying Fund Documents, the above description of the principal asset classes, and investment techniques utilized by the Underlying Fund Manager represents a summary only. The Underlying Fund may not invest in all asset classes described above or use all investment techniques described above, and the Underlying Fund may from time to time invest in different assets or utilize different investment techniques.

As more fully described in the Underlying Fund Documents, the Underlying Fund Manager intends to pursue the investment strategy described above as long as such strategy is in accordance with the Underlying Fund's investment objective. In addition, it may also formulate and implement new approaches to carry out the investment objective of the Underlying Fund.

OFFERING

CKO Fund Segregated Portfolio Shares generally may be purchased on the first Business Day of each calendar month and any other day approved by the Board in its sole discretion. CKO Fund Segregated Portfolio Shares of each Class initially will be issued at \$100.00 per Share. Following the initial issuance of CKO Fund Segregated Portfolio Shares of a Class, CKO Fund Segregated Portfolio Shares of such Class will be offered at the then current Net Asset Value.

The Fund is currently offering the following classes of participating, redeemable, non-voting shares in respect of CKO Fund Segregated Portfolio: CKO Fund Segregated Portfolio Class B Shares, CKO Fund Segregated Portfolio Class H Shares and CKO Fund Segregated Portfolio Class X Shares (the "CKO Fund Segregated Portfolio Class B Shares", "CKO Fund Segregated Portfolio Class H Shares" and "CKO Fund Segregated Portfolio Class X Shares", respectively), all denominated in U.S. Dollars. The CKO Fund Segregated Portfolio Class B Shares, CKO Fund Segregated Portfolio Class H Shares and CKO Fund Segregated Portfolio Class X Shares are collectively referred to herein as the "CKO Fund Segregated Portfolio Shares", the "CKO Fund Segregated Portfolio Participating Shares" or the "Shares".

Subject to a higher limit as established in the discretion of the Investment Manager, the minimum initial investment in the Fund is U.S.\$100,000 for CKO Fund Segregated Portfolio Class H Shares and CKO Fund Segregated Portfolio Class X Shares, and U.S.\$250,000 for CKO Fund Segregated Portfolio Class B Shares, provided that the initial investment in the Fund by each investor shall not be less than U.S.\$100,000. CKO Fund Segregated Portfolio Class B Shares and CKO Fund Segregated Portfolio Class H Shares will be offered to investors based on meeting the initial minimum subscription requirement as described above. CKO Fund Segregated Portfolio Class X Shares are only available for investment by certain investors located or advised in United Kingdom or other jurisdictions where local regulations prohibit distribution fees and/or where such investment is made as part of an overall investment management service and/or to any employees of the Investment Manager and appointed sales agents.

Subscription for CKO Fund Segregated Portfolio Class X Shares is subject to the discretion of the Fund. Investors who wish to subscribe for CKO Fund Segregated Portfolio Class X Shares who are deemed not eligible for CKO Fund Segregated Portfolio Class X Shares will be issued CKO Fund Segregated Portfolio Class B Shares or CKO Fund Segregated Portfolio Class H Shares, depending upon minimum investment amount.

The Fund on behalf of the CKO Fund Segregated Portfolio may elect not to issue CKO Fund Segregated Portfolio Shares of any Class as of the beginning of any month if the Fund has not received aggregate subscriptions for at least the minimum amount of capital imposed by the Underlying Fund as of such date. In any event, all CKO Fund Segregated Portfolio Shares will be issued only as the Fund may determine, irrespective of the amount of subscriptions received.

In the event the Fund determines to close CKO Fund Segregated Portfolio to new investors, the Fund may establish an additional segregated portfolio of the Fund which may also invest substantially all of its capital in the Underlying Fund or in any other fund that has the same or substantially the same investment strategy as the Underlying Fund. The terms of the offer of any such newly created Segregated Portfolio will be as described in the relevant Supplement. The Investment Manager and the Fund make no representation that the returns of any such new Segregated Portfolio will be in any way similar to the performance of the CKO Fund Segregated Portfolio.

SUBSCRIPTIONS

Upon subscription, investors subscribing for CKO Fund Segregated Portfolio Shares will receive CKO Fund Segregated Portfolio Shares then being offered with respect to the relevant Class. The Fund on behalf of CKO Fund Segregated Portfolio generally intends to offer CKO Fund Segregated Portfolio Shares as of each Subscription Date (to the extent the Underlying Fund is accepting additional subscriptions).

Completed subscription materials must be received by the Administrator at least 6 (six) Business Days prior to the Subscription Date on which prospective investors wish to subscribe for CKO Fund Segregated Portfolio Shares. Cleared funds must be in the Fund's account at least 6 (six) Business Day before the relevant Subscription Date.

The acceptance of subscriptions is subject to confirmation of the prior receipt of cleared funds credited to the Fund's subscription account and the receipt of completed subscription documents in a form acceptable to the Administrator. The Fund reserves the right to reject subscriptions in its absolute discretion in whole or in part. A purchaser acceptable to the Fund will be sold that number of CKO Fund Segregated Portfolio Shares (including fractional CKO Fund Segregated Portfolio Shares) which his subscription payment will purchase (to the extent accepted).

Subscriptions may be suspended under certain circumstances. See "SUSPENSION OF DEALINGS AND DETERMINATION OF NET ASSET VALUE".

REDEMPTIONS

Except as provided herein, a Shareholder may redeem all or a portion of its CKO Fund Segregated Portfolio Shares upon at least 65 (sixty five) calendar days' prior written notice to the Fund and to the Administrator, as of the last Business Day of each calendar quarter, or at such other times as the Board determines in its sole discretion, at the then current Net Asset Value per CKO Fund Segregated Portfolio Share of the relevant Class (as the case may be), less any redemption fees (as applicable) as disclosed in this Supplement.

The Fund may, in its sole discretion, waive in whole or in part, the notice requirement with respect to any or all holders of CKO Fund Segregated Portfolio Shares.

A Shareholder's ability to redeem CKO Fund Segregated Portfolio Shares as of any Redemption Date is subject to CKO Fund Segregated Portfolio's ability to make corresponding redemptions from the Underlying Fund, as well as CKO Fund Segregated Portfolio's ability to determine its Net Asset Value as of any Redemption Date. CKO Fund Segregated Portfolio's ability to redeem shares from the Underlying Fund (and accordingly satisfy Shareholders' redemption requests) may be limited by the operation of the applicable redemption limitations imposed by the Underlying Fund, which may limit the amount of capital the CKO Fund Segregated Portfolio can redeem from the Underlying Fund as of each Redemption Date.

Redemptions of CKO Fund Segregated Portfolio Shares will ordinarily be made in U.S. Dollars. However, in extraordinary circumstances, the Fund may pay redemption proceeds in kind or partially in cash and partially in kind. If the Directors decide to pay redemption proceeds in kind, any such distribution in kind will not materially prejudice the interest of the remaining holders of CKO Fund Segregated Portfolio Shares. In the event the Fund issues additional Classes of CKO Fund Segregated Portfolio Shares denominated in a currency other than U.S. Dollars or Euro, the Fund may pay redemption proceeds in the currency in which such shares are denominated. Cash redemptions will be remitted by wire transfer to an account designated by the Shareholder at the Shareholder's bank as specified by the Shareholder's corresponding written redemption notice. A Shareholder has no rights with regard to CKO Fund Segregated Portfolio Shares to be redeemed after the close of business on the date as of which the redemption price was calculated, except to receive the redemption price therefore.

Soft Lock-up. Shareholders are generally entitled to redeem all or any portion of their Shares; provided, however, that if a Shareholder redeems its Shares prior to the last calendar day of the calendar quarter immediately preceding the one-year anniversary of such Shareholder's initial Subscription for such Shares (the "Lock-up Period"), such Shareholder will be subject to an early redemption fee equal to 4% (four per cent) of such redemption proceeds. The Board may waive or reduce the Lock-up Period with respect to any Shareholder in its sole discretion.

Redemption Gate. Shareholders may effect, for a particular Redemption Date, redemptions of up to 25% (twenty five per cent) of the applicable Net Asset Value of the Fund in respect of CKO Fund Segregated Portfolio (the "Redemption Gate"). Should the Redemption Gate be applicable, redemption requests for Shares falling due on the relevant Redemption Date will be processed on a pro rata basis of the amounts requested under the respective redemption requests. Redemption requests which, by virtue of the Redemption Gate, do not occur on any particular Redemption Date will be carried forward for realization on the next Redemption Date, and will continue to be subject to the Redemption Gate on a pro rata basis of all the Redemptions requested (whether deferred or not) falling due on that Redemption Gate.

Suspension of Redemptions. The Fund's ability to satisfy redemption requests on behalf of the CKO Fund Segregated Portfolio as of any particular Redemption Date is subject to the Fund's ability to make corresponding redemptions from the Underlying Fund and the Fund's ability to determine its Net Asset Value as of any particular Redemption Date. The Fund will not permit redemptions during any period when the Underlying Fund has suspended redemptions or the calculation of net asset values, or has

otherwise restricted the Fund's ability to redeem capital from the Underlying Fund. If the Fund on behalf of the CKO Fund Segregated Portfolio is unable to redeem capital from the Underlying Fund for any reason, Shareholders will not be permitted to redeem CKO Fund Segregated Portfolio Shares until the Underlying Fund resumes redemptions, allowing the Fund on behalf of the CKO Fund Segregated Portfolio to redeem capital from the Underlying Fund and to calculate its Net Asset Value.

Payment of Redemption Proceeds. The Fund generally pays redemption proceeds in full on the basis of unaudited data within 45 (forty-five) days from the corresponding Redemption Date, subject to the limitation on redemptions. However, if a Shareholder elects to redeem more than 90% (ninety per cent) of its outstanding Shares on any Redemption Date, at least 95% (ninety-five per cent) of the Net Asset Value of the Shares to be redeemed as of the relevant Redemption Date (computed on the basis of unaudited data) will be paid (net of any reserves and Underlying Fund holdbacks) within 45 (forty-five) days with the balance payable within a reasonable time after completion of the Fund's year end audit.

The Fund may, in the absolute discretion of the Board, postpone the payment of some or all of the redemption proceeds for any period during which the Underlying Fund has postponed the date of payment of redemption proceeds, suspended redemptions or the calculation of net asset values, limited redemptions (including, without limitation, the imposition of a redemption gate by the Underlying Fund) or has otherwise restricted the Fund's ability to redeem capital from the Underlying Fund. The Board of Directors may, as well, reduce or waive, in whole or in part the amount held.

The Fund on behalf of the CKO Fund Segregated Portfolio may reduce the redemption proceeds in respect of any Shareholder if the Fund is required by law or by agreement with a government division or department to withhold a payment of redemption proceeds to such Shareholder or otherwise withhold any amount in respect of such Shareholder.

Payment in-kind. The Fund expects to pay redemption proceeds in cash, although the Fund may pay redemption or distribution proceeds in-kind (primarily in the event that the Fund itself receives an in-kind distribution from the Underlying Fund). In-kind redemption or distribution proceeds may consist of, among other things: (i) securities or other investment assets; (ii) a separate Class of Shares of the CKO Fund Segregated Portfolio or any other Segregated Portfolio in the Fund, or a direct interest in the Underlying Fund that is not redeemable at the option of the holder thereof; or (iii) interests in liquidation or special purpose vehicles holding actual investments, or participations in actual investments. If the Fund on behalf of the CKO Fund Segregated Portfolio receives a distribution of marketable securities from the Underlying Fund, it may determine to liquidate such securities itself and pay redemptions in cash to redeeming investors, although it is not obligated to do so.

The Administrator may refuse to pay redemption proceeds if a redemption request is not accompanied by such additional information as the Administrator, in its sole discretion, may reasonably require, provided that the Administrator notifies the Investment Manager promptly of such refusal. 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.

Mandatory redemptions. The Directors have the right to require a mandatory redemption of all or some of the CKO Fund Segregated Portfolio Shares held by a Shareholder at the price per CKO Fund Segregated Portfolio Share equal to the then prevailing Net Asset Value per CKO Fund Segregated Portfolio Share, where the holdings of such CKO Fund Segregated Portfolio Shares may result in regulatory, pecuniary, legal, tax or material administrative disadvantage to the Fund or its Shareholders. The Directors may utilise this right of mandatory redemption if they determine that a Shareholder's continued holding of CKO Fund Segregated Portfolio Shares could result in adverse consequences to the Fund or to the CKO Fund Segregated Portfolio or is below the minimum investment amount as determined

by the Fund (including any increase in such minimum level that the Fund may implement in the future), as well as for any other reason.

The Fund will mandatorily redeem all the shares in the Underlying Fund (to the extent it is permitted to redeem from the Underlying Fund) in the event that the Board believes that the continued operation of CKO Fund Segregated Portfolio would become impracticable, imprudent or uneconomical for reasons including, but not limited to, a decline in the amount invested in the Fund or circumstances relating to the Underlying Fund or the Underlying Fund Manager.

The ability of the Fund on behalf of CKO Fund Segregated Portfolio to effect mandatory redemptions will be limited by the Fund's limited ability on behalf of the CKO Fund Segregated Portfolio to redeem from the Underlying Fund. Accordingly, even if a mandatory redemption would be in the best interests of the Fund on behalf of the CKO Fund Segregated Portfolio, the Fund on behalf of the CKO Fund Segregated Portfolio may not be able to effect such a redemption. If the Fund's investment in the Underlying Fund is mandatorily redeemed, the Fund will be required to mandatorily redeem the CKO Fund Segregated Portfolio Shares.

Any redemption fees payable by the Fund on behalf of the CKO Fund Segregated Portfolio levied by the Underlying Fund in the event of a mandatory redemption will be allocated proportionally to all Shareholders in the CKO Fund Segregated Portfolio.

Underlying Fund Redemption Terms

According to the Underlying Fund Documents, subject to the limitations on redemptions set out herein, an Underlying Fund shareholder, such as the Fund on behalf of CKO Fund Segregated Portfolio, may, upon 60 (sixty) days' prior written notice to the Underlying Fund, redeem all or a portion of its founders' sub-class A-1 shares, as of the last day of each calendar quarter (each, an "Underlying Fund Redemption Date"); provided, however, that if a shareholder redeems founders' sub-class A-1 shares prior to the last calendar day of the calendar quarter immediately preceding the one-year anniversary of the shareholder's purchase of such shares, such redeemed shares will be subject to a 4% (four per cent) redemption fee payable to the Underlying Master Fund.

Notwithstanding the foregoing, as described in the Underlying Fund Documents, a shareholder will only be permitted to redeem as of any Underlying Fund Redemption Date no more than 25% (twenty-five per cent) of such shareholder's shares eligible to be redeemed (the "Eligible Capital"), valued as of such Underlying Fund Redemption Date (the "Underlying Fund Redemption Limit"). Where a redemption request is subject to the Underlying Redemption Limit, the balance of the redemption request will be carried forward to the next calendar quarter-end and, if necessary, to successive calendar quarter-ends, until the redemption requests have been satisfied in full; provided that the redemptions will be completed in no more than four consecutive quarters.

Therefore, if a shareholder requests the redemption of more than 25% (twenty-five per cent) (but less than all) of such shareholder's Eligible Capital valued as of the first quarterly Underlying Fund Redemption Date, such redemption will be limited to 25% (twenty-five per cent) of such shareholder's Eligible Capital valued as of the first quarterly Underlying Fund Redemption Date. The remaining amount will be paid over successive calendar quarter-end(s), subject in each case to application of the Underlying Fund Redemption Limit (calculated as of the first quarterly Underlying Fund Redemption Date), until the shareholder has received the entire amount of its requested redemption.

In the case of a complete redemption of an Underlying Fund shareholder's Eligible Capital, one-quarter of such shareholder's Eligible Capital valued as of the first quarterly Underlying Fund Redemption

Date will be payable as of the first quarterly Underlying Fund Redemption Date, one-third of such shareholder's Eligible Capital valued as of the second quarterly Underlying Fund Redemption Date will be payable as of the second quarterly Underlying Fund Redemption Date, one-half of such shareholder's Eligible Capital valued as of the third quarterly Underlying Fund Redemption Date will be payable as of the third quarterly Underlying Fund Redemption Date and the balance of such shareholder's Eligible Capital valued as of the fourth quarterly Underlying Fund Redemption Date will be payable as of the fourth quarterly Underlying Fund Redemption Date. Upon the complete redemption from the Underlying Fund by a shareholder, up to 5% (five per cent) of the estimated value of such shareholder's shares (valued as of the first Underlying Fund Redemption Date) will be withheld from the final redemption payment and will be paid promptly, without interest, after the completion of the audit of the Underlying Fund for that year.

In general, redemptions will be deemed to occur on a "first-in first-out" basis within a sub-class, as applicable. A redemption notice is irrevocable unless otherwise agreed by the Underlying Fund.

On partial redemptions of less than 95% (ninety-five per cent) of a shareholder's holdings of common shares, the redemption price will generally be paid within 30 (thirty) days of the relevant Underlying Fund Redemption Date, subject to the limitation on redemptions. Payment of the redemption price on the redemption of 95% (ninety-five per cent) or more of a shareholder's holdings of common shares will generally be made as soon as practicable, but, except in cases where share transfers are not delivered, the shareholder will receive at least 95% (ninety-five per cent) of the estimated redemption price, no later than 30 (thirty) days following the final redemption date. Promptly after the Underlying Fund has determined the net asset value of the common shares as of the date of redemption (which in the Fund's discretion may be after the Fund's annual audit), the Fund will pay to such shareholder the balance, if any, of the amount to which such shareholder is entitled, without any interest thereon, or such shareholder will be obligated to repay the Underlying Fund the excess, if any, of the amount previously paid over the amount to which such shareholder is entitled. The Underlying Fund directors generally expect to assess any audit holdback on the final redemption amount. Underlying Fund redemption payments will be made in cash (in U.S. dollars) or, in the discretion of the directors, in securities or partly in cash and partly in securities, as further described in the Underlying Fund Documents.

Underlying Fund Mandatory Redemptions. The Underlying Fund may compulsorily redeem all or any common shares of a shareholder, such as the Fund on behalf of CKO Fund Segregated Portfolio, at any time on not less than 10 (ten) calendar days' prior written notice, such redemption to be effective on the date specified in such notice, without regard to the limitations on redemptions set out herein, any early redemption fee or lock-up period. If the Underlying Fund directors deem it to be in the best interests of the Underlying Fund to do so because the continued participation of any shareholder might cause the Underlying Fund to violate any law, rule or regulation or expose the Underlying Fund to the risk of litigation, arbitration, administrative proceedings or any similar action or proceeding, the directors may compulsorily redeem all or any common shares of a shareholder any time on not less than 5 (five) calendar days' prior written notice, such redemption to be effective on the date specified in such notice, without regard to the limitations on redemptions set out herein, any early redemption fee or lock-up period.

Underlying Fund Key Man Event. Subject to the suspension provisions described in the Underlying fund Documents, if Mr. Weitman (i) dies, (ii) becomes legally incapacitated such that he is unable to participate in the management of the Underlying Master Fund's portfolio in the same manner as immediately before the onset of his incapacity, or (iii) ceases to be involved in the management of the Underlying Master Fund's portfolio for more than 45 (forty five) consecutive days, the Underlying Fund shall promptly provide the shareholders with notice of such occurrence (such notice being the " Underlying Fund Key Man Notice"). Shareholders shall have 30 (thirty) days from the date the Underlying Fund sends the Underlying Fund Key Man Notice to submit a full or partial redemption request to the Underlying

Fund, such redemption to be effective as of the last day of the month that occurs 15 (fifteen) days after the date such redemption notice is received by the Underlying Fund, without regard to any limitation on redemptions or redemption fees, but subject to the suspension provisions described below.

FEES

Management Fee. The Investment Manager receives, on a monthly basis, an asset-based fee equal to 1/12th of 1.45% (0.12083% monthly) of the aggregate Net Asset Value of CKO Fund Segregated Portfolio Class H Shares, 1/12th of 0.90% (0.075% monthly) of the aggregate Net Asset Value of The CKO Fund Segregated Portfolio Class B Shares and 1/12th of 0.55% (0.04583%) of the aggregate Net Asset Value of CKO Fund Segregated Portfolio Class X Shares. The Management Fee is payable by the CKO Fund Segregated Portfolio on a pro rata basis in arrears. The Management Fee is based upon the sum of the applicable Class of CKO Fund Segregated Portfolio Shares' Net Asset Values as of the last calendar day of the preceding month inclusive of subscriptions at the next following subscription date, or at any other relevant time as the Net Asset Value may be calculated. The Management Fee is payable by the Fund to the Investment Manager within ten (10) days after it becomes due.

Performance Fee. The Investment Manager will not receive a performance-based fee in respect of Class B Segregated Portfolio Shares, Class H Segregated Portfolio Shares or Class X Segregated Portfolio Shares.

Underlying Fund Management Fee. The Underlying Fund Manager charges a management fee equal to 1.5% (one point five per cent) per annum of the net asset value of the Underlying Fund as of the beginning of each calendar quarter before the accrual of the Underlying Fund Performance Fee (as defined below) (the "Underlying Fund Management Fee").

Underlying Fund Performance Fee. At the end of each fiscal year of the Underlying Fund, the Underlying Fund General Partner will receive an annual performance fee equal to 17.5% (seventeen point five per cent) of the net profits attributable to the shares of the Underlying Fund held by each shareholder in the Underlying Fund payable by the Underlying Master Fund (the "Underlying Fund Performance Fee").

SUSPENSION OF DEALINGS AND DETERMINATION OF NET ASSET VALUE

The Board may temporarily declare a suspension of the determination of the Net Asset Value of the CKO Fund Segregated Portfolio, or suspend in whole or in part the sale, allotment, issue or redemption of CKO Fund Segregated Portfolio Shares or payment of CKO Fund Segregated Portfolio Shares tendered for redemption during any period when in the opinion of the Board (in consultation with the Investment Manager):

- (a) One or more banks, stock exchanges or other markets which provide a basis for valuing a significant proportion of the assets of the CKO Fund Segregated Portfolio, or of one or more of its underlying funds, limited partnerships, other investment are closed other than for or during holidays or if dealings therein are restricted or suspended;

- (b) As a result of political, economic, military or monetary events or any circumstances outside the control, responsibility and power of the Fund, disposal of the assets of CKO Fund Segregated Portfolio is not reasonably practicable without being seriously detrimental to shareholders' interest or if for reasons of illiquidity or other restraints on realization of investments, moneys to meet redemption proceeds are not immediately available, or if, in the opinion of the Directors a fair price cannot be calculated for the assets of the CKO Fund Segregated Portfolio;
- (c) There is a breakdown of the means of communication normally used for the valuing of a significant proportion of the investments or assets of the CKO Fund Segregated Portfolio or if for any reason the value of any assets of the CKO Fund Segregated Portfolio may not be determined as rapidly and accurately as required;
- (d) As a result of exchange restriction or other restriction affecting the transfer of funds, transactions on behalf of the CKO Fund Segregated Portfolio are rendered impracticable or if purchases, sales, deposits, and withdrawals of the CKO Fund Segregated Portfolio's assets cannot be effected at the normal rates of exchange;
- (e) The Directors or the Shareholders adopt a resolution to liquidate and dissolve the Fund;
- (f) There is an event of default or delay in payments due to the CKO Fund Segregated Portfolio from banks, brokers, or the Underlying Fund;
- (g) If CKO Fund Segregated Portfolio does not have sufficient liquidity in the assets attributable to one or more Classes of CKO Fund Segregated Portfolio Shares to discharge its liabilities upon redemption requests as of any Redemption Date; and/ or
- (h) The Directors, during any other period, at their discretion, determine it to be in the interests of the Shareholders.

Any such suspension of the determination of the Net Asset Value of the CKO Fund Segregated Portfolio shall be notified immediately to the Shareholders without delay and all reasonable steps will be taken to bring any period of suspension to an end as soon as possible.

OTHER INVESTMENT CONSIDERATIONS

Confidentiality

The Shareholders generally will be required to keep confidential all matters relating to the Underlying Fund and its business and affairs (including communications from the Underlying Fund Manager). The exceptions to this general rule of confidentiality are described in the Subscription Documents.

This Memorandum and the Underlying Fund Documents are not to be reproduced or distributed to others, at any time, without the prior written consent of the Fund. Each recipient agrees to keep confidential all information contained herein not already in the public domain and will use this

Memorandum and the Underlying Fund Documents for the sole purpose of evaluating a possible investment in the Fund. Notwithstanding anything herein to the contrary, each investor (and each employee, representative, or other agent of the investor) may disclose to all persons, without limitation of any kind, the tax treatment and tax structure of an investment in the Fund and all materials of any kind (including opinions or other tax analyses) that are provided to the investor relating to such tax treatment and tax structure. Upon the Fund's request, investors must return this Memorandum and any other materials relating to this offering that the Fund has provided to such recipient. Acceptance of this Memorandum by prospective investors constitutes an agreement to be bound by the foregoing terms.

RISK FACTORS

An investment in the CKO Fund Segregated Portfolio is speculative, illiquid and involves a high degree of risk.

The CKO Fund Segregated Portfolio Shares issued by the Fund are a suitable investment only for financially sophisticated investors for whom an investment in the Fund does not represent more than a limited portion of the risk segment of their portfolios and who understand and are capable of assessing the risks of an investment in the CKO Fund Segregated Portfolio Shares.

There can be no assurance that the CKO Fund Segregated Portfolio or the Underlying Fund will achieve its investment objectives or that Shareholders will be able to recover their initial investment. Investment results may vary substantially on a monthly, quarterly and annual basis, and over the course of a market cycle.

The following risk factors, which do not purport to be complete and are only illustrative of the types of risks associated with an investment in the Fund, should be carefully evaluated before deciding whether to make an investment in CKO Fund Segregated Portfolio Shares. Because the Fund will invest substantially all of its capital in the Underlying Fund, an investment in the Fund involves all of the risks of investing directly in the Underlying Fund, in addition to those risks particular to the Fund.

The Directors and the Investment Manager strongly recommend that an investment in the Fund be made only after consultation with a prospective investor's independent financial, legal and tax advisors. Prospective investors should not consider an investment in the CKO Fund Segregated Portfolio if they are unable to evaluate the merits and risks involved, independent of the information contained in this Supplement. The following risk factors are all potentially material and are not listed in any order of priority.

1. Investing in Third-Party Funds

THE FUND IN RESPECT OF THE CKO FUND SEGREGATED PORTFOLIO WILL INVEST SUBSTANTIALLY ALL OF ITS CAPITAL IN THE UNDERLYING FUND, WHICH IN TURN INVESTS SUBSTANTIALLY ALL OF ITS CAPITAL IN THE OTHER FUNDS MANAGED BY THE UNDERLYING FUND MANAGER. THE UNDERLYING FUND IS NEITHER AFFILIATED WITH THE FUND NOR WITH THE INVESTMENT MANAGER. NONE OF THE FUND, THE INVESTMENT MANAGER OR ANY OF THEIR RELATED ENTITIES WILL TAKE ANY PART IN THE MANAGEMENT OF THE UNDERLYING FUND OR HAVE ANY CONTROL WHATSOEVER OVER ITS STRATEGIES OR POLICIES. THE FUND, ITS BOARD AND THE INVESTMENT

MANAGER WILL HAVE NO AUTHORITY OR ABILITY TO INFLUENCE, AND IS NOT RESPONSIBLE FOR, THE OPERATION, STRATEGIES AND POLICIES OF, OR THE INVESTMENTS MADE BY, THE UNDERLYING FUND. FURTHERMORE, SHAREHOLDERS OF THE FUND WILL HAVE NO DIRECT CONTRACTUAL RIGHTS OR CLAIMS AGAINST THE UNDERLYING FUND. NEITHER THE FUND NOR THE INVESTMENT MANAGER HAS ANY SIDE ARRANGEMENT IN PLACE WITH THE UNDERLYING FUND OR THE UNDERLYING FUND MANAGER WITH RESPECT TO THE INVESTMENTS MADE BY THE FUND ON BEHALF OF THE CKO SEGREGATED PORTFOLIO.

NONE OF THE DIRECTORS OR THE INVESTMENT MANAGER OR ANY SHAREHOLDER WILL HAVE ANY ABILITY TO MONITOR THE RISK EXPOSURE LEVEL OF THE UNDERLYING FUND. FURTHERMORE, NONE OF THE DIRECTORS, THE INVESTMENT MANAGER OR THE FUND WILL BE INFORMED OF THE INVESTMENT POSITIONS HELD BY THE UNDERLYING FUND. CERTAIN INVESTMENT MANAGER PERSONNEL MAY BE PROVIDED SUCH INFORMATION SOLELY FOR PURPOSES OF MONITORING THE PERFORMANCE OF THE UNDERLYING FUND. HOWEVER, THE INVESTMENT MANAGER MAY NOT — DUE TO CONFIDENTIALITY AGREEMENTS, “FAIR DISCLOSURE”, FIDUCIARY AND OTHER CONSIDERATIONS — BE ABLE TO ACT ON ANY SUCH INFORMATION. THE INVESTMENT MANAGER AND THE FUND HAVE RELIED ON INFORMATION FURNISHED BY THE UNDERLYING FUND (PRIMARILY, THE UNDERLYING FUND DOCUMENTS) IN PRODUCING SUPPLEMENT, AS WELL AS IN PROCEEDING WITH THE OFFERING OF CKO FUND SEGREGATED PORTFOLIO SHARES. THIS SUPPLEMENT CONTAINS CERTAIN DESCRIPTIONS DERIVED FROM THE UNDERLYING FUND DOCUMENTS. THESE DESCRIPTIONS HAVE NOT BEEN INDEPENDENTLY VERIFIED BY THE FUND OR THE INVESTMENT MANAGER. EACH INVESTOR, BY SUBSCRIBING FOR CKO FUND SEGREGATED PORTFOLIO SHARES IN THE FUND, AGREES THAT NONE OF THE FUND, THE INVESTMENT MANAGER OR ANY OF THEIR RESPECTIVE DIRECTORS, OFFICERS, EMPLOYEES, OWNERS, AFFILIATES OR CONTROLLING PERSONS IS RESPONSIBLE FOR THE ACCURACY OR COMPLETENESS OF ANY INFORMATION SET FORTH IN THE UNDERLYING FUND DOCUMENTS OR INCLUDED IN THIS SUPPLEMENT THAT HAS BEEN DERIVED FROM THE UNDERLYING FUND DOCUMENTS. EACH SHAREHOLDER OF THE FUND, TOGETHER WITH ITS ADVISORS (IF ANY), MUST RELY ON ITS OWN EXAMINATION OF THE MERITS AND RISKS OF THE FUND, THE CKO FUND SEGREGATED PORTFOLIO AND THE UNDERLYING FUND AND ASSUME SOLE RESPONSIBILITY FOR SUCH INVESTOR’S INVESTMENT DECISION WITH RESPECT TO THE FUND. THE FUND AND THE INVESTMENT MANAGER EXPRESSLY DISCLAIM ANY RESPONSIBILITY FOR ADVISING INVESTORS WHETHER OR WHEN TO BUY OR SELL CKO FUND SEGREGATED PORTFOLIO SHARES. IT IS PARTICULARLY IMPORTANT THAT INVESTORS CAREFULLY CONSIDER WHETHER A SPECULATIVE INVESTMENT IN THE CKO FUND SEGREGATED PORTFOLIO IS SUITABLE FOR THEM, AS SUCH INVESTMENTS MAY NOT BE CONSISTENT WITH THEIR PORTFOLIO OBJECTIVES OR INVESTMENT RESTRICTIONS.

2. Risk of Loss

The CKO Fund Segregated Portfolio Shares are a highly speculative and illiquid investment that involves a substantial degree of risk. An investor could lose all or substantially all of its investment. The CKO Fund Segregated Portfolio Shares are only suitable for persons willing to accept and financially able to absorb such risks. No prospective Investor should consider investing more than such investor can afford to lose.

3. Market Disruptions; Governmental Intervention

The global financial markets have recently experienced pervasive and fundamental disruptions that have led to extensive and unprecedented governmental intervention. Such intervention has in certain cases been implemented on an “emergency” basis, suddenly and substantially eliminating market participants’ ability, at least on a temporary basis, to continue to implement certain strategies or manage the risk of their outstanding positions. In addition — as one would expect given the complexities of the financial markets and the limited time frame within which governments have taken such actions — these interventions typically have been difficult to interpret and unclear in scope and application, resulting in confusion and uncertainty which in itself has been materially detrimental to the efficient functioning of the markets as well as previously successful investment strategies.

The Fund and the Underlying Fund may incur substantial losses in the event of disrupted markets and other extraordinary events in which historical pricing relationships become materially distorted, the availability of credit is restricted or the ability to trade or invest (including exiting existing positions) capital is otherwise impaired. The risk of loss from pricing distortions is compounded by the fact that in disrupted markets many positions become illiquid, making it difficult or impossible to close out positions against which the markets are moving. The financing available to private investment funds, such as the Underlying Fund, from banks, dealers and other counterparties is typically reduced in disrupted markets. Such a reduction may result in substantial losses to the Underlying Fund and the Fund. Market disruptions may from time to time cause dramatic losses for the Underlying Fund and the Fund and such events can result in otherwise historically low-risk strategies performing with unprecedented volatility and risk.

4. Past Performance Is Not Indicative of Future Results

As of the date of this Supplement, the Fund on behalf of CKO Fund Segregated Portfolio, has no performance or operating history. Each of the Underlying Fund Manager, the Underlying Master Fund and the Underlying Fund is a newly formed entity and has no operating history upon which investors can evaluate its likely performance. Accordingly, an investment in the Underlying Fund entails a significant degree of risk. In that sense, prospective investors in the Fund should not rely on the prior performance of the Underlying Fund or any other accounts or funds managed by the Underlying Fund Manager, its affiliates or any of its principals as an indication of the future performance of the Fund or the Underlying Fund.

There can be no assurance that any trading strategy developed by the Fund on behalf of the CKO Fund Segregated Portfolio will produce profitable results. The past performance of the Fund, the Underlying Fund and/or the Investment Manager and/or the Underlying Fund Manager is not indicative of how the Fund, or the Underlying Fund will perform in the future. There can be no assurance that the performance of the CKO Fund Segregated Portfolio or the Underlying Fund will be comparable in the future to what it has been in the past, or that the CKO Fund Segregated Portfolio or the Underlying Fund will achieve their investment objectives or avoid substantial or total losses.

The past performance of the Underlying Fund does not reflect the fees and expenses applicable to an investment in the CKO Fund Segregated Portfolio. The performance of the Underlying Fund would be lower if adjusted to reflect the effect of the fees and expenses applicable to an indirect investment in the Underlying Fund through the CKO Fund Segregated Portfolio.

5. Potential Tracking Error

Although the Fund in respect to the CKO Fund Segregated Portfolio invests substantially all of its capital in the Underlying Fund, its monthly performance will not be identical to the returns achieved by the Underlying Fund. The costs and expenses applicable to an investment in the CKO Fund Segregated

Portfolio (including the Management Fee and the Fund and CKO Fund Segregated Portfolio's operating costs) will necessarily result in the CKO Fund Segregated Portfolio underperforming the Underlying Fund. In addition, a variety of other factors will have the potential to contribute to deviations between the performance of CKO Fund Segregated Portfolio and the Underlying Fund, including, but not limited to, the size of CKO Fund Segregated Portfolio's cash reserve that is not invested in the Underlying Fund, the timing of subscriptions and redemptions, the ability of the Fund on behalf of the CKO Fund Segregated Portfolio to fully invest new subscription proceeds in the Underlying Fund as of the same subscription date, the fact that the CKO Fund Segregated Portfolio may not participate in Special Investments or new issues and the actual performance-based compensation payable by the CKO Fund Segregated Portfolio (as compared other investors in the CKO Fund Segregated Portfolio as a whole). From time to time and over time, there will be tracking error between the performance of the CKO Fund Segregated Portfolio and the performance of the Underlying Fund that could, under certain circumstances, be material.

6. Reliance on Information Received from Underlying Fund Manager

The Fund and the Investment Manager are completely independent from the Underlying Fund ongoing operation of the Underlying Fund and will receive only such information concerning the Underlying Fund as a common investor in it, when and as the Underlying Fund Manager deems appropriate and is willing to provide. Accordingly, the Fund and the Investment Manager have no means of independently verifying the information supplied to it by Underlying Fund Manager, including estimates (and subsequent potentially material revisions to such estimates) of the value of the CKO Fund Segregated Portfolio's investment in the Underlying Fund. All information prepared by the Fund or the Investment Manager and provided to investors generally will be based on information received by the Investment Manager from the Underlying Fund Manager. There can be no assurance that such information will be updated, accurate or complete.

The Fund and the Investment Manager will rely conclusively on valuations provided by the Underlying Fund Manager (including, but not limited to, the calculation of all asset-based and performance-based fees and allocations) or its delegates and shall not be liable to existing or former investors for the Investment Manager's reliance on any erroneous valuations or calculations provided by the Underlying Fund Manager, provided that such reliance is not in bad faith. Investors themselves will have no direct dealings or contractual relationships with the Underlying Fund or Underlying Fund Manager.

7. Limited or No Information on the Underlying Fund's Investments

Although the Underlying Fund may disclose the identity and size of its investments to certain of its investors, it has not agreed to particularly disclose its investments to the Fund or the Investment Manager. Although certain Investment Manager personnel may be provided with certain portfolio information from the Underlying Fund Manager solely for purposes of monitoring performance, the Investment Manager may not — due to “fair disclosure,” fiduciary and other considerations — be able to act on any such information that is not available to all investors in the Underlying Fund. In addition, historical information furnished by Underlying Fund Manager may not be representative of the investments in which the Underlying Fund is currently invested. In any event, Investment Manager will have no authority or ability to influence, and is not responsible for, the investments made by the Underlying Fund.

8. Risk of Entrusting Capital to Third Parties

The Fund in respect of CKO Fund Segregated Portfolio invests substantially all of its capital in the Underlying Fund. None of the Fund, Investment Manager or any other related entity will take any part in the management of the Underlying Fund. The Investment Manager has no control over, nor responsibility

for, the actions or omissions of the Underlying Fund Manager in directing the operation and investment activity of the Underlying Fund. Furthermore, Shareholders will have no direct contractual rights or claims against the Underlying Fund or the Underlying Fund Manager. Neither the Fund nor the Investment Manager have any side arrangement in place with the Underlying Fund or the Underlying Fund Manager with respect to the investments made by the Fund on behalf of the CKO Segregated Portfolio. Although the Investment Manager conducted initial due diligence on the Underlying Fund and Underlying Fund Manager and will attempt to monitor their performance on an on-going basis, inherent in the Fund's "feeder fund" structure is the risk of entrusting capital to the Underlying Fund and Underlying Fund Manager -who are third parties- over whose actions and investment decisions the Investment Manager has no control and concerning which Investment Manager may have little, if any, concrete information. CKO Fund Segregated Portfolio is subject to the risk of the bad judgment, negligence or misconduct of the Underlying Fund Manager. There have been a number of instances in recent years in which funds investing in third-party funds have incurred substantial losses due to manager misconduct.

9. Dependence on Key Principals of Underlying Fund Manager

The success of the Underlying Fund depends upon the ability of Underlying Fund Manager to develop and implement investment strategies that achieve the Underlying Fund's investment objectives. In the event that key principals of the Underlying Fund Manager, such as Aaron Weitman, cease to actively participate in the operations of Underlying Fund Manager, the consequences to the Underlying Fund (and the CKO Fund Segregated Portfolio) could be material and adverse and a shareholder's redemption terms may be altered.

10. Substantial Charges; "Layering" of Fees

An investment in CKO Fund Segregated Portfolio and CKO Fund Segregated Portfolio's investment in the Underlying Fund are each subject to substantial charges. CKO Fund Segregated Portfolio will incur, either directly or through its investment in the Underlying Fund, management fees, performance fees, transaction costs and ongoing operating expenses, including its allocable share of the Fund and the Underlying Fund's operating and investment expenses. All of the foregoing fees, costs and expenses must be offset by profits or the value of the CKO Fund Segregated Portfolio Shares will decline. CKO Fund Segregated Portfolio will be subject to performance fees based on CKO Fund Segregated Portfolio's overall investment performance in the Underlying Fund, and not separately in respect of each individual Shareholder's investment in CKO Fund Segregated Portfolio. Consequently, a Shareholder may be subject to an indirect performance fee (through its investment in the CKO Fund Segregated Portfolio) during a period in which the Shareholder's CKO Fund Segregated Portfolio Shares declined in value.

11. Illiquid Shares

An investment in CKO Fund Segregated Portfolio is illiquid. CKO Fund Segregated Portfolio Shares generally may be redeemed upon at least 65 (sixty-five) calendar days' prior notice as of the last Business Day of each calendar quarter. In addition, a Shareholder's ability to redeem CKO Fund Segregated Portfolio Shares may be restricted in the event that the Fund's ability to redeem from the Underlying Fund is in turn restricted due to the imposition by the Underlying Fund of a redemption gate. Furthermore, the board of directors of the Underlying Fund has broad authority to suspend redemptions and delay payment of redemption proceeds by the Underlying Fund (which would have a corresponding effect on CKO Fund Segregated Portfolio). The Investment Manager has no control over any such suspensions or delays by the Underlying Fund, and the Fund on behalf of CKO Fund Segregated Portfolio would be forced to impose the same suspensions and delays on Shareholders as the Underlying Fund imposes on CKO Fund Segregated Portfolio.

The Investment Manager also has broad authority to defer accepting redemption requests (effectively suspending redemptions) as well as to delay the payment of redemptions, if Investment Manager believes that accepting such requests or paying out such redemption would have adverse consequences for the non-redeeming investors. The payment of redemption proceeds may have to be postponed by CKO Fund Segregated Portfolio due to restrictions imposed by the Underlying Fund on CKO Fund Segregated Portfolio's redemptions from the Underlying Fund.

12. Use of Estimates

CKO Fund Segregated Portfolio may issue and redeem CKO Fund Segregated Portfolio Shares based on Net Asset Values calculated using the Underlying Fund's estimated valuations (including potentially material revisions to prior valuations) of CKO Fund Segregated Portfolio's investment in the Underlying Fund. The Management Fee payable to the Investment Manager will also be calculated on the basis of such estimates. There can be no assurance that such estimates will be accurate, and such estimates will generally not be adjusted to reflect revised valuations. In the event that Underlying Fund Manager corrects or revises an estimate of the value of CKO Fund Segregated Portfolio's investment in the Underlying Fund after CKO Fund Segregated Portfolio has calculated a Net Asset Value based on such estimate, CKO Fund Segregated Portfolio will generally not attempt to make retroactive adjustments to such Net Asset Value, or to revise the Management Fee paid, the number of CKO Fund Segregated Portfolio Shares issued or the redemption proceeds distributed using such Net Asset Value. If, after payment of the related redemption proceeds, the Investment Manager adjusts the Net Asset Value at which CKO Fund Segregated Portfolio Shares were redeemed, the redeeming investors (if the Net Asset Value is adjusted upwards) or the remaining and any new investors (if the Net Asset Value is adjusted downwards) bear the risk of such adjustment. Redeeming investors will neither receive further distributions from, nor will they be required to reimburse CKO Fund Segregated Portfolio in such circumstances. In the event that the Underlying Fund suspends valuations, CKO Fund Segregated Portfolio will have no ability to determine its own Net Asset Value and, consequently, will suspend subscriptions and redemptions until the Underlying Fund resumes valuations.

13. Subscription Monies

Where a subscription for CKO Fund Segregated Portfolio Shares is accepted, such Shares will be treated as having been issued with effect from the relevant subscription date and accordingly will be subject to investment risk from such subscription date, notwithstanding that the subscriber for those Shares may not be entered in CKO Fund Segregated Portfolio's register of members until after the relevant subscription date.

14. No Representation of Investors

Prospective investors of the Fund have not been represented in any of the negotiations relating to the formation of the CKO Fund Segregated Portfolio or the determination of any of CKO Fund Segregated Portfolio's business terms. The business terms of the Underlying Fund were neither negotiated at arm's-length with any investor of the Underlying Fund (including CKO Fund Segregated Portfolio).

15. Conflicts of Interest of the Underlying Fund Manager

Significant conflicts of interest among the Underlying Fund, other investors in the Underlying Master Fund and other feeder funds and management entities and principals of the Underlying Fund Manager may exist from time to time. These conflicts include, but are not limited to, conflicts arising from businesses conducted by the Underlying Fund Manager and other affiliated management entities that are unrelated to, and may be competitive with, the businesses of the Fund, conflicts related to third party fund

investments and the allocation by the Underlying Fund Manager of certain investments directly to its affiliates, including any feeder funds.

16. Mandatory Redemptions

The Fund on behalf of the CKO Fund Segregated Portfolio will mandatorily redeem all of its outstanding CKO Fund Segregated Portfolio Shares (to the extent it is permitted to redeem from the Underlying Fund) in the event that Fund believes that the continued operation of CKO Fund Segregated Portfolio would become impracticable, imprudent or uneconomical for reasons including, but not limited to, declines in the amount of assets invested in the Fund or circumstances relating to the Underlying Fund or Underlying Fund Manager. The Fund may also redeem the Shares held by any particular Shareholder if it determines that such investor's continued holding of CKO Fund Segregated Portfolio Shares could result in adverse consequences to CKO Fund Segregated Portfolio or such investor's investment in the CKO Fund Segregated Portfolio Shares is below the minimum level established by the Board (including any increase in such minimum level that may be implemented in the future), as well as for any other reason. The ability of CKO Fund Segregated Portfolio to effect mandatory redemptions will be strictly limited by CKO Fund Segregated Portfolio's limited ability to redeem from the Underlying Fund. Accordingly, even if a mandatory redemption would be in the best interests of CKO Fund Segregated Portfolio, CKO Fund Segregated Portfolio may not be able to effect such a redemption. CKO Fund Segregated Portfolio's inability to mandatorily redeem Shares due to its inability to make corresponding redemptions from the Underlying Fund may result in materially adverse tax or regulatory affects on CKO Fund Segregated Portfolio (as well as the value of an investor's CKO Fund Segregated Portfolio Shares in CKO Fund Segregated Portfolio).

The Underlying Fund may require CKO Fund Segregated Portfolio to redeem its shares in the Underlying Fund in whole or in part. If CKO Fund Segregated Portfolio's investment in the Underlying Fund is mandatorily redeemed, CKO Fund Segregated Portfolio itself will be required to mandatorily redeem CKO Fund Segregated Portfolio Shares. Mandatory redemption of a Shareholder's CKO Fund Segregated Portfolio Shares (or of CKO Fund Segregated Portfolio's investment in the Underlying Fund) could occur before such shares or investments have had a realistic chance of being profitable and in addition redemption fees may be levied by the Underlying Fund. No fees previously paid in respect of CKO Fund Segregated Portfolio Shares mandatorily redeemed will be refunded to affected Shareholders.

17. Risk of Loss Due to the Bankruptcy or Failure of One of the Counterparties, Brokers and Exchanges

CKO Fund Segregated Portfolio is subject, either directly or indirectly through its investment in the Underlying Fund, to the risk of the insolvency of various counterparties (such as broker-dealers, futures commission merchants, banks or other financial institutions, exchanges or clearinghouses). CKO Fund Segregated Portfolio's assets could be lost or impounded during a counterparty's bankruptcy or insolvency proceedings and a substantial portion or all of CKO Fund Segregated Portfolio's assets may become unavailable to it either permanently or for an extended period, up to a number of years. If any such bankruptcy or insolvency were to occur, the Investment Manager (or Underlying Fund Manager) might decide to liquidate the CKO Fund Segregated Portfolio (or the Underlying Fund) or suspend, limit or otherwise alter trading, perhaps causing CKO Fund Segregated Portfolio (or the Underlying Fund) to incur substantial losses or miss significant profit opportunities. There are increased risks in dealing with offshore brokers and unregulated trading counterparties, including the risk that assets may not benefit from the protection afforded to "customer funds" deposited with regulated brokers and dealers. The Underlying Fund may be required to post margin for its foreign exchange transactions with foreign exchange dealers who are not required to segregate customer funds. In the case of a counterparty's bankruptcy or inability to satisfy substantial deficiencies in other customer accounts, the Underlying Fund may recover, even in

respect of property specifically traceable to the Underlying Fund, only a *pro rata* share of all property available for distribution to all of such broker's or dealer's customers.

The Underlying Fund may effect transactions in the “over-the-counter” or “interdealer” markets. The participants in these markets typically are not subject to the type of strict credit evaluation and regulatory oversight applicable to members of “exchange-based” markets, and transactions in these markets typically are not settled through exchanges or clearinghouses that guarantee the trades of their participants. Rather, the responsibility for performing under a particular transaction rests solely with the counterparty to such transactions. To the extent the Underlying Fund invests in swaps, derivatives or synthetic instruments or other over-the-counter transactions in these markets, they are subject to the credit risk of the parties with which they trade and deposit collateral. The Underlying Fund and the Portfolio Managers are also subject to the risk that a counterparty may not settle a transaction because such counterparty is unwilling or unable to do so (for example, because of a credit or liquidity problem affecting the counterparty), potentially resulting in significant loss — perhaps in respect of an offsetting position on which the Underlying Fund remains obligated to perform.

The Investment Manager has no control over selection of counterparties by Underlying Fund Manager and the Underlying Fund is not restricted from dealing with any particular counterparty (regulated or unregulated) or from concentrating any or all of their transactions with a single counterparty or limited number of counterparties. In addition, the Investment Manager has no ability to assess the extent to which the Underlying Fund maintains its assets in unregulated accounts subject to the bankruptcy of the counterparties holding such assets.

18. Limited Regulation

Neither the Fund nor the Underlying Fund will be registered as an “investment company” under the U.S. Investment Company Act of 1940, as amended (the “Investment Company Act”). Accordingly, Shareholders may not have the benefits of the investor protection provisions of the Investment Company Act (and the regulations promulgated thereunder).

19. Exchange-Rate Risk

Both the Underlying Fund and CKO Fund Segregated Portfolio calculate their net asset values in U.S. Dollars. Consequently, Shareholders are subject to the risk of exchange-rate fluctuations between the U.S. Dollar and their functional currency.

20. Possibility of Increased Government or Market Regulation

Market disruptions and the dramatic increase in the capital allocated to alternative investment strategies during recent years have led to increased governmental as well as self-regulatory scrutiny of the “hedge fund” industry in general. This scrutiny, as well as the scrutiny of the financial services industry in general, has been tightened by the recent turmoil in the markets. Legislation proposing greater regulation of the industry, such as the recently enacted Reform Act, is periodically considered by the U.S. Congress, as well as by the governing bodies of non-U.S. jurisdictions. The ongoing claims and proceedings relating to certain trading practices involving United States mutual funds as well as certain well-publicized frauds on hedge fund investors have contributed to the movement towards greater regulation of private investment funds generally. It is impossible to predict the impact the proposed or any other regulatory changes will have on the Fund, Investment Manager, the Underlying Fund, Underlying Fund Manager and the markets in which they trade and invest or the counterparties with which they do business. Any such regulation could have a material adverse impact on the profit potential of the Fund and the Underlying Fund.

21. Possible Saturation of Alternative Investment Strategies

There remains a significant amount of capital being managed pursuant to alternative investment strategies. This increases the competition for all positions in the market. Moreover, many of these strategies are relational, attempting to capitalize on market mispricings and inefficiencies, and the more assets that are traded in such strategies the smaller such mispricings and inefficiencies are likely to become. The profit potential of a strategy is likely to decline if the market becomes saturated with hedge funds and investment managers implementing similar strategies. For example, the returns earned by many relational market strategies have declined materially from what they had been several years ago.

22. Alternative Investment Fund Managers Directive.

The Alternative Investment Fund Managers Directive (the "AIFM Directive") of the European Union ("EU") took effect across the EU on 22 July 2013. The AIFM Directive requires the regulation of alternative investment fund managers ("AIFM") based in the EU or the marketing of securities of an alternative investment fund ("AIF") in the EU and generally prohibits non-authorised AIFM from managing AIF or marketing AIF securities in the EU. In order to obtain authorisation to manage or market an AIF in the EU, an AIFM will be required to comply with numerous obligations in relation to its own operations and any AIF that it manages, which may create significant compliance costs and burdens. However, the precise nature of these obligations and their application (particularly as they may apply to non-EU entities) remain uncertain.

It is not currently possible to ascertain the precise impact that the AIFM Directive will have on the CKO Fund Segregated Portfolio, the Fund, the Investment Manager, the Underlying Fund, Underlying Master Fund and Underlying Fund Manager. It is possible that the CKO Fund Segregated Portfolio, the Fund, the Investment Manager, the Underlying Master Fund, the Underlying Fund and Underlying Fund Investment Manager may be required to take significant measures to comply with the AIFM Directive or that any of them may not be able to comply with the AIFM Directive, whether in part or at all. Compliance with the requirements of the AIFM Directive may be costly or could require significant amendments to be made to the structure of CKO Fund Segregated Portfolio, the Fund, the Investment Manager or the Underlying Fund and the Underlying Fund Manager.

The Directors of the Fund, the Investment Manager, the directors of the Underlying Fund and/or the Underlying Fund Manager will monitor the position under the AIFM Directive and may take or propose steps in the future to address the AIFM Directive's requirements, which may conceivably include putting proposals to Shareholders to continue the Fund and/or the Underlying Fund in another jurisdiction. It should be noted that any regulatory changes arising from implementation of the AIFM Directive may be costly to the CKO Fund Segregated Portfolio or may impair the ability of the Investment Manager to manage the investments of the CKO Fund Segregated Portfolio or limit the ability to market the CKO Fund Segregated Portfolio in the future, each of which may materially adversely affect the CKO Fund Segregated Portfolio's ability to carry out its investment approach and achieve its investment objective or impact adversely on returns to Shareholders.

23. GDPR considerations

The European Parliament adopted the General Data Protection Regulation (Regulation (EU) 2016/679) ("GDPR") in April 2016 which contains provisions that require businesses to protect the personal data and privacy of European Union (EU) citizens for transactions that occur within EU member states, as well as the exportation of personal data outside the EU. Even if the Fund has no presence in the EU, if the Fund processes personal data of European residents, then the Fund may have to comply with GDPR requirements which can have cost implications for the Fund.

24. *Brexit*

In a non-binding referendum on the UK's membership of the European Union (the "EU"), in June 2016, a majority of the electorate voted for the UK's withdrawal from the EU (commonly referred to as "Brexit"). The United Kingdom is no longer a member state of the European Union, as of January 31, 2020. Despite the negotiation of the UK-EU Trade and Cooperation Agreement in December 2020, the future economic and political relationship between the United Kingdom and the European Union (and between the United Kingdom and other countries) remains uncertain in many respects, and a period of economic and political uncertainty may therefore continue in the United Kingdom and the European Union. The UK could, potentially without warning, lose access to the single EU market and is expected to lose access to the global trade deals negotiated by the EU on behalf of its members. There is no precedent for withdrawal from the EU, so any timeframes and terms (and therefore their effects) are highly speculative. The Brexit vote and the perceptions as to the impact of the withdrawal of the UK have already affected and may continue to potentially in an adverse way affect, business activity and economic conditions in the UK, the Eurozone and Europe more broadly. The economic outlook could be further adversely affected by the risk that one or more EU member states could themselves come under increasing pressure to leave the EU, the risk of a greater push for independence by Scotland or Northern Ireland, or the risk that the Euro as the single currency of any or all of the Eurozone member states could cease to exist. Any of these developments, or the perception that these developments are likely to or may occur, could have a material adverse effect on economic growth or business activity in the UK, the Eurozone and Europe more broadly, have wider global economic implications, result in the relocation of businesses, cause business interruptions, lead to economic recession or depression, and impact the stability of the financial markets or financial institutions and the financial and monetary system. In addition, the Underlying Fund could be subject to increased costs as a result of compliance with new laws, regulations or rules. All of the foregoing could have a material adverse impact on the performance of the Underlying Fund and on returns to investors as a result.

The effect of Brexit on the UK's legal and regulatory environment relevant to the Underlying Fund, the Underlying Master Fund, the Underlying Fund Manager and their affiliates is evolving and likely will result in a prolonged period of ambiguity or conflict among legal or regulatory schemes, all of which could adversely affect the value of the Underlying Fund's investments.

25. *COVID-19*

The coronavirus continues to spread in multiple countries across the globe. It has been officially declared a pandemic by the World Health Organization. Many countries have shut down significant parts of their economies, imposed so-called "lockdowns" and taken other measures to try and stem the impact and spread of the virus - named "SARS-CoV-2" (and sometimes referred to as the "coronavirus" and abbreviated as "COVID-19"). Governmental authorities have also imposed local and national quarantines and restricted domestic and international travel. COVID-19 has also disrupted supply chains and other commercial activity and contributed to unusually high volatility in financial markets (and unprecedented drops in GDP and increases in unemployment have occurred and are likely to continue). The continued duration, severity, and ultimate effect of these and other consequences of the spread of COVID-19 and other epidemics and pandemics cannot be predicted. Related deterioration in economic and market conditions could result in declines in the market values of the Underlying Fund's investments and diminished investment opportunities for the Underlying Fund and the Underlying Master Fund, and could prevent the successful execution of the Underlying Fund Manager's investment strategies, cause the Underlying Fund Manager to alter its investment strategies, and/or require the Underlying Fund and the Underlying Master Fund to dispose of investments at a loss.

The information provided in this EXHIBIT A in relation to the Underlying Fund is solely based on the information contained in the Underlying Fund Documents, as provided to the Fund and the Investment Manager. Neither the Fund nor the Investment Manager have made any enquiries as to matters of fact in relation to the Underlying Fund or the Underlying Fund Manager. The Fund and the Investment Manager have assumed without further enquiry the accuracy and completeness of the copy of the Underlying Fund Documents received, and the accuracy of any and all representations of fact expressed in or implied thereby.

EXHIBIT A

Certain Risk Factors Relating to the Underlying Fund

Nature of Investments. All investments risk the loss of capital. The Underlying Fund's investment program should be evaluated on the basis that there can be no assurance that the Underlying Fund Manager's assessment of the short-term or long-term prospects of investments will prove accurate. An investment in the Underlying Fund should be considered a long-term investment by prospective investors.

Credit risk. The issuers of debt instruments may face significant ongoing uncertainties and exposure to adverse conditions that may undermine each issuer's ability to make timely payment of interest and principal. In addition, major economic downturns and financial market swings have adversely affected, and could in the future adversely affect, the ability of some issuers to repay principal and pay interest and may increase the incidence of default for debt instruments. Changes in the financial condition of an issuer, changes in general economic conditions, and changes in specific economic conditions that affect a particular type of issuer can impact the credit quality of an issuer and the value of an issuer's outstanding debt. Lower quality instruments are often considered to be speculative in nature and involve greater risk of default, and tend to be more sensitive to these changes than higher quality instruments.

Interest Rate Risk. The Underlying Fund may be adversely affected by changes in interest rates to the extent that the cash flow from a fixed income security is known in advance, the present value (i.e., discounted value) of that cash flow decreases as interest rates increase; to the extent that the cash flow is contingent, the dollar value of the payment may be linked to then-prevailing interest rates. The Underlying Fund may attempt to minimize the exposure of the portfolios to interest rate changes through the use of interest rate swaps, interest rate futures and/or interest rate options. However, there can be no guarantee that the Underlying Fund Manager will be successful in fully mitigating the impact of interest rate changes on the portfolios.

Lack of Liquidity. Underlying Fund assets may, at any given time, include a significant number of securities and other financial instruments or obligations which are restricted as to sale or very thinly traded, or which the Underlying Fund Manager determines, in its sole discretion, should be held until the resolution of a special event or circumstance. The sale of any such investments may be possible only at substantial discounts. Finally, if a substantial number of shareholders were to redeem and the Underlying Fund did not have a sufficient amount of cash or liquid securities, the Underlying Fund might have to meet such redemption requests through distributions of illiquid securities.

Concentration Risk. The Underlying Fund may concentrate its investments in a small number of companies or sectors. The assets of the Underlying Fund generally include loans made to, and debt securities issued by, companies which may be highly-leveraged, which may be experiencing financial difficulties, or which may have defaulted in obligations to pay interest or principal. If the Underlying Fund Manager's evaluation of the financial situation of a particular company should prove incorrect, the

Underlying Fund could experience substantial losses as a result of a decline in the market value of securities or other assets in which the Underlying Fund holds a long position or an increase in the value of securities or other assets in which the Underlying Fund holds a short position.

Distressed Securities. The Underlying Fund will invest in high yield and distressed securities, loans, private claims and other obligations of highly leveraged companies, bankrupt entities, entities subject to bankruptcy proceedings or reorganizations, or entities experiencing financial difficulties. The Underlying Fund may be required to hold such investments for a long period of time, may lose a substantial portion or all of its investment in such an entity, or may be required to accept cash or securities with a value less than the Underlying Fund's investment. It may be difficult to obtain information as to the true financial condition of entities experiencing significant financial or business difficulties. Investments in distressed companies also may be adversely affected by state and federal laws relating to fraudulent conveyances, voidable preferences, lender liability and the bankruptcy courts' discretionary power to disallow, subordinate or disenfranchise particular claims. The market prices of instruments issued by distressed companies may be subject to abrupt and erratic market movements and above average price volatility, and the spread between the bid and ask prices of such instruments may be greater than normally expected. It may take a number of years for the market prices of such securities to reflect their intrinsic values. Funding a plan of reorganization involves additional risks, including risks associated with equity ownership in the reorganized entity. Investments in distressed securities made in connection with an attempt to influence a restructuring proposal or plan of reorganization in a bankruptcy case may involve substantial litigation.

Bankruptcy Proceedings. There are a number of significant risks inherent in the bankruptcy process, including the risk of litigation between the creditors and debtor, the duration of the bankruptcy proceeding, and the tangible and other intangible costs to the debtor, including the potential adverse effects on personnel and business relationships and operations. There can be no assurance that these factors can be successfully overcome. Many events in a bankruptcy may be the product of contested matters and adversary proceedings and beyond the control of the creditors. While creditors are generally given an opportunity to object to significant actions, there can be no assurance that a bankruptcy court in the exercise of its broad powers would not approve actions that would be contrary to the interests of the Fund. The duration of a bankruptcy proceeding is difficult to predict. A creditor's return on its investment can be adversely affected by delays while the plan of reorganization is being negotiated, approved by the creditors and confirmed by the bankruptcy court and until it ultimately becomes effective. The administrative costs in connection with a bankruptcy proceeding are frequently high and will be paid out of the debtor's estate prior to any return to creditors. Bankruptcy law permits the classification together of "substantially similar" claims in determining the classification of claims in a reorganization. Because the standard for classification is vague, the Fund's influence with respect to the class of securities it owns can be lost by increases in the number and amount of claims in that class or by different classification and treatment. Creditors can lose their ranking and priority under certain circumstances if they exercise "domination and control" over a debtor, and other creditors can demonstrate that they have been harmed by such actions.

Lender Liability and Equitable Subordination. In recent years, a number of judicial decisions in the United States have upheld the right of borrowers to sue lending institutions on the basis of various evolving legal theories (generally termed "lender liability"). Generally, lender liability is founded upon the premise that an institutional lender has violated a duty (whether implied or contractual) of good faith and fair dealing owed to the borrower or has assumed a degree of control over the borrower resulting in a creation of a fiduciary duty owed to the borrower or its other creditors or shareholders. In certain circumstances the Underlying Fund could be subject to allegations of lender liability. In addition, under common law principles that in some cases form the basis for lender liability claims, a court may subordinate the claim of a creditor to the claims of other creditors (a remedy called "equitable subordination") if a lender (i) intentionally takes an action that results in the undercapitalization of a borrower to the detriment of other

creditors of such borrower, (ii) engages in other inequitable conduct to the detriment of such other creditors, (iii) engages in fraud with respect to, or makes misrepresentations to, such other creditors, or (iv) uses its influence as a stockholder to dominate or control a borrower to the detriment of other creditors. The Underlying Fund could be subject to claims from creditors of a borrower that obligations of such borrower that are held by the Underlying Fund should be equitably subordinated.

Equity-Related Instruments. The Underlying Fund Manager may use equity-related instruments in its investment program. Certain options and other equity-related instruments may be subject to various types of risks, including market risk, liquidity risk, counterparty credit risk, legal risk and operations risk. In addition, equity-related instruments can involve significant economic leverage and may, in some cases, involve significant risks of loss.

Options. The Underlying Fund may buy and sell options. Both the purchasing and selling of call and put options entail risks. If the Underlying Fund purchases an option, it will pay a “premium” representing the market value of the option. Unless the price of the securities underlying the option changes and it becomes profitable to exercise or offset the option before it expires, the Underlying Fund will lose the entire amount of the premium. The uncovered writer of a call option is subject to a risk of loss should the price of the underlying security increase, and the uncovered writer of a put option is subject to a risk of loss should the price of the underlying security decrease. The Underlying Fund Manager believes that these options provide greater liquidity and involve less counterparty risk than customized options for which a clearinghouse does not exist.

Futures, Forwards and Options Thereon. Trading in commodity futures and forward contracts and related options involves a high degree of risk. The prices for such contracts and options tend to be very volatile, and may be influenced by changing supply and demand relationships, weather, governmental, agricultural, commercial and trade programs and policies, and world political and economic events. Due to the small amount of margin required, trading in futures involves a high degree of leverage. A relatively small change in market prices, interest rates or other factors may produce a disproportionately large profit or loss. Although the Underlying Fund ordinarily purchases or sells commodity futures contracts only if there is an active market for each such contract, no assurance can be given that a liquid market will exist for the contracts at any particular time. Futures exchanges and boards of trade may limit the amount of fluctuation permitted in certain futures contract prices during a single trading day. Once the daily limit has been reached in a particular contract, no trades may be made that day at a price beyond that limit. Futures contract prices could move to the daily limit for several consecutive trading days with little or no trading, thereby preventing prompt liquidation of futures positions and subjecting some futures traders to substantial losses.

Illiquidity of Debt Securities. Debt instruments and interests in debt instruments have significant liquidity risks and market value risks since they are not generally traded in organized exchange markets but are traded by certain banks and other institutional investors. The primary resale opportunities for such debt instruments are privately negotiated transactions with a limited number of purchasers. This may restrict the ability of the Underlying Fund to dispose of investments in a timely fashion and/or at a favourable price, which could result in losses to the Underlying Fund. The debt of highly-leveraged companies or companies in default also may be less liquid than other debt. Investors engaged in investment strategies similar to some of the investment strategies engaged in by the Underlying Fund have in the past, especially during periods of market turmoil, experienced periods of substantial illiquidity with respect to certain types of investments that may be held by the Underlying Fund. The inability of the Underlying Fund or other investors to sell certain types of investments has and could lead to a potential inability of the Underlying Fund and other investors to meet margin calls or fund redemptions, the impact of which can be further aggravated as dealers and counterparties reduce available credit lines and investors withdraw additional

capital. In extreme market conditions, these factors can lead to a downward cycle that can have a significant adverse effect on the market prices of investments.

Mortgage-Backed and Asset-Backed Securities. The Underlying Fund may invest in mortgage-backed securities, asset-backed securities, collateralized debt obligations and other similar instruments representing interests in pools of underlying residential or commercial mortgage loans, commercial loans, lease obligations, or other assets. Payments of principal and interest on the underlying loans are passed through to the holders of mortgage-backed and asset-backed securities over the lives of the securities. The investment characteristics of mortgage-backed and asset-backed securities differ significantly from traditional debt securities. Among the major differences are that interest and principal payments are made more frequently, usually monthly, and that principal may be prepaid at any time because the underlying residential or commercial mortgage loans or other assets generally may be prepaid at any time. Early repayments of principal can ordinarily be expected to accelerate during periods of declining interest rates. For certain types of asset pools, such as collateralized mortgage obligations, prepayments may be allocated to one tranche of securities ahead of other tranches, in order to reduce the risk of prepayment for the other tranches. On the other hand, mortgage-backed and asset-backed securities are subject to substantially the same risk of depreciation during periods of rising interest rates as other fixed-income securities. The Underlying Fund may also invest in derivative mortgage-backed securities, such as principal-only (“POs”) and interest-only (“IOs”) or inverse floating-rate securities, which are more exposed to mortgage repayments, and which therefore generally involve a greater amount of risk. Small changes in repayments can significantly impact the cash flow and the market value of these securities. In addition, particular derivative securities may be leveraged such that their exposure (i.e., price sensitivity) to interest rate and/or prepayment risk is magnified.

Sovereign Debt. The Underlying Fund may invest in debt securities issued by governments and their agencies, including governments of emerging markets. In particular, investing in securities of issuers located in emerging market countries involves additional risks, such as exposure to economic structures that are generally less diverse and mature than, and to political systems that can be expected to have less stability than, those of developed countries. Other characteristics of emerging market countries that may affect investment in their markets include certain national policies that may restrict investment by foreigners in issuers or industries deemed sensitive to relevant national interests and the absence of developed legal structures governing private and foreign investments and private property. The issuers of the sovereign debt securities in which the Underlying Fund expects to invest have in the past experienced serious difficulties in servicing their external debt obligations. These difficulties have, among other effects, forced such countries to reschedule interest and principal payments on obligations, and to restructure certain indebtedness. Rescheduling and restructuring arrangements have included reducing and rescheduling interest and principal payments by negotiating new or amended credit agreements, or converting outstanding principal and unpaid interest to “Brady Bonds” or similar instruments, and obtaining new credit to finance interest payments. Sovereign debt rated below investment grade by Moody’s and S&P is regarded as predominantly speculative with respect to the issuer’s capacity to pay interest and repay principal in accordance with the terms of the obligations.

Short Sales. Short sales can, in certain circumstances, substantially increase the impact of adverse price movements on the Underlying Fund’s portfolio. A short sale involves the risk of a theoretically unlimited increase in the market price of the particular investment sold short, which could result in an inability to cover the short position and a theoretically unlimited loss. There can be no assurance that securities necessary to cover a short position will be available for purchase.

Volatility. The markets in which the investments of the Underlying Fund trade may be volatile and/or illiquid and may not move in correlation with each other or in directions anticipated by the Underlying Fund Manager, so that hedging and arbitrage activities may not be successful. Substantial

competition from other investors and market participants may render it difficult or impossible for the Underlying Fund to achieve intended results or promptly to effect transactions in volatile markets. The risk management techniques which may be utilized by the Underlying Fund Manager will not provide any assurance that the Underlying Fund will not be exposed to risks of significant investment losses.

Use of Leverage. The Underlying Fund expects to utilize leverage. This results in the Underlying Fund controlling substantially more assets than the Underlying Fund has equity. Leverage increases the Underlying Fund's returns if the Underlying Fund earns a greater return on investments purchased with borrowed funds than the Underlying Fund's cost of borrowing such funds. However, the use of leverage exposes the Underlying Fund to additional levels of risk, including (i) greater losses from investments than would otherwise have been the case had the Underlying Fund not borrowed to make the investments, (ii) margin calls or interim margin requirements which may force premature liquidations of investment positions and (iii) losses on investments where the investment fails to earn a return that equals or exceeds the Underlying Fund's cost of borrowing such funds. In the event of a sudden, precipitous drop in value of the Underlying Fund's assets, the Underlying Fund might not be able to liquidate assets quickly enough to repay its borrowings, further magnifying its losses. In an unsettled credit environment, the Underlying Fund Manager may find it difficult or impossible to obtain leverage for the Underlying Fund. In such event, the Underlying Fund could find it difficult to implement its strategy. In addition, any leverage obtained, if terminated on short notice by the lender, could result in the Underlying Fund Manager being forced to unwind the Underlying Fund's positions quickly and at prices below what the Underlying Fund Manager deems to be fair value for such positions.

Over-the-Counter-Markets. Bank loans, currency forward contracts and swaps and other forms of derivative instruments may not be traded on regulated exchanges or guaranteed by an exchange or clearing house. Over-the-counter transactions may be subject to less or no requirements with respect to record keeping, financial responsibility or segregation of customer funds and positions. The business failure of a counterparty with which the Underlying Fund has entered into a forward contract or other derivative will most likely result in a default. The default of a party with which the Underlying Fund has entered into a forward contract or derivative may result in the loss of unrealized profits and force the Underlying Fund to cover its resale commitments, if any, at the then current market price. Although generally the Underlying Fund seeks to reserve for itself the right to terminate its derivative positions, it may not always be possible to dispose of or close out a derivative position without the consent of the counterparty, and the Underlying Fund may not be able to enter into an offsetting contract in order to be able to cover its risk. There is no assurance that a liquid secondary market will exist for derivative instruments purchased or sold, and the Underlying Fund may be required to maintain a position until exercise or expiration, which could result in losses.

Bank Debt. The Underlying Fund will invest in bank debt, which includes interests in loans to companies or their affiliates undertaken to finance a capital restructuring or in connection with recapitalizations, acquisitions, leveraged buyouts, refinancings or other financially leveraged transactions and may include loans which are designed to provide temporary or bridge financing to a borrower pending the sale of identified assets, the arrangement of longer-term loans or the issuance and sale of debt obligations. The Underlying Fund may also invest in collateral on financial instruments, including interests on whole commercial, consumer and other loans and lease contracts. These loans, which may bear fixed or floating rates, have generally been arranged through private negotiations between a corporate borrower and one or more financial institutions, including banks. The Underlying Fund's investment may be in the form of participations in loans or of assignments of all or a portion of loans from third parties. In certain cases, the rights and obligations acquired by the Underlying Fund through the purchase of an assignment may differ from, and be more limited than, those held by the assigning selling institution. Assignments are sold strictly without recourse to the selling institutions, and the selling institutions will generally make no representations or warranties to the Underlying Fund about the underlying loan, the borrowers, the

documentation of the loans or any collateral securing the loans. The Underlying Fund has the right to receive payments of principal, interest and any fees to which it is entitled only from the lender selling the participation and only upon receipt by the lender of the payments from the borrower. In connection with purchasing participations, the Underlying Fund generally will have no right to enforce compliance by the borrower with the terms of the loan agreement relating to the loan, nor any rights of set-off against the borrower, and the Underlying Fund may not benefit directly from any collateral supporting the loan in which it has purchased the participation. Thus, the Underlying Fund assumes the credit risk of both the borrower and the lender that is selling the Participation. In addition, in connection with purchasing participations, the Underlying Fund generally will have no role in terms of negotiating or effecting amendments, waivers and consents with respect to the loans underlying the participations. In the event of the insolvency of the lender, the Underlying Fund may be treated as a general creditor of the lender and may not benefit from any set-off between the lender and the borrower. Investments in participations and assignments involves additional risks, including the risk of non-payment of principal and interest by the borrower, the risk that any loan collateral may become impaired and that the Underlying Fund may obtain less than the full value for the loan interests sold because they may be illiquid. Purchasers of loans depend primarily upon the creditworthiness of the borrower for payment of interest and repayment of principal. If scheduled interest or principal payments are not made, the value of the instrument may be adversely affected. Investments in loans through direct assignment of a financial institution's interests with respect to a loan may involve additional risks. For example, if a loan is foreclosed, the Underlying Fund could become part owner of any collateral, and would bear the costs and liabilities associated with owning and disposing of the collateral. In addition, it is conceivable that under emerging legal theories of lender liability, the Underlying Fund could be held liable as a co-lender. A loan is often administered by a bank or other financial institution that acts as agent for all holders. The agent administers the terms of the loan, as specified in the loan agreement. Unless, under the terms of the loan or other indebtedness, the Underlying Fund has direct recourse against the borrower, the Underlying Fund may have to rely on the agent to apply appropriate credit remedies against a borrower. If assets held by the agent for the benefit of the Underlying Fund were determined to be subject to the claims of the agent's general creditors, the Underlying Fund might incur certain costs and delays in realizing payment on the loan or loan participation and could suffer a loss of principal or interest. Interests in loans are also subject to additional liquidity risks. Loans are generally subject to legal or contractual restrictions on resale. Loans are not currently listed on any securities exchange or automatic quotation system, but are traded by banks and other institutional investors engaged in loan syndication. As a result, no active market may exist for some loans, and to the extent a secondary market exists for other loans, such market may be subject to irregular trading activity, wide bid/ask spreads and extended trade settlement periods. Consequently, the Underlying Fund may have difficulty disposing of assignments or participations in response to a specific economic event such as deterioration in the creditworthiness of the borrower, which can result in a loss. In such market situations, it may be more difficult for the Underlying Fund to assign a value to assignments or participations when valuing the Underlying Fund's securities and calculating its assets.

Participation in Certain Investments through Special Purpose Vehicles or Arrangements with Affiliated Private Funds. The Underlying Fund may participate in certain debt instruments and other investments (including bank loans, loan participations and other similar instruments) through special purpose vehicles that are set up for such purpose or indirectly through arrangements with other affiliated or non-affiliated private investment funds. In particular, the Underlying Fund may acquire portions of, or otherwise participate in, such investments that an affiliated private investment fund previously originated for purchase prices equal to the fair market value of the acquired interests as of the date of acquisition. In such arrangements, the Underlying Fund will be exposed to the risk of non-performance by the special purpose vehicle or by the affiliated private investment fund and to the credit risk of such vehicle or fund. In the event of the insolvency of such vehicle or fund, the Underlying Fund may not be able to recover its investment.

Control Investments. The Underlying Fund may acquire a significant or controlling percentage of the common equity of a portfolio company, or appoint one or more representatives to the board of directors of a portfolio company in which it invests. Significant or controlling ownership and serving on the board of directors or similar capacity of a portfolio company may in certain circumstances expose the Underlying Fund's representatives, and ultimately the Underlying Fund, to potential litigation or liability if the Underlying Fund or its representatives is thought to control, participate in the management of or influence the conduct of the portfolio company. Litigation entails expense and the possibility of counterclaims against the Underlying Fund and ultimately judgments may be rendered against the Underlying Fund for which the Underlying Fund may not carry insurance. When securities are purchased in anticipation of influencing the future direction of a company, a substantial period of time may elapse between the Underlying Fund's purchase of the securities and the anticipated results. During this period, a portion of the Underlying Fund's capital would be committed to the securities purchased, and the Underlying Fund may finance some portion of such purchases with borrowed funds on which it must pay interest. Additionally, if the anticipated results do not in fact occur, the Underlying Fund may be required to sell its investment at a loss. Moreover, there may be instances where the Underlying Fund will be restricted in transacting in or redeeming a particular investment as a result of its activist investment strategy. There exists a potential risk of loss by the Underlying Fund of its entire investment in such companies.

Hedging Transactions. The Underlying Fund may utilize various financial instruments both for risk management and general investment and speculation purposes. There can be no assurances that a particular hedge is appropriate, or that a certain risk is measured properly. Furthermore, while the Underlying Fund may enter into hedging transactions to seek to reduce risk, such transactions may result in poorer overall performance and increased (rather than reduced) risk for the Underlying Fund than if it did not engage in any such hedging transactions. The Underlying Fund may choose not to enter into hedging transactions with respect to some or all of its positions.

Closed-End Funds. Close-ended funds are regulated investment companies that issue a fixed number of shares, which are listed and trade on a nationally recognized stock exchange and are generally not redeemable. The price per share of a closed-ended fund is determined by the market and is usually different from the net asset value per share of the investments held by the Underlying Fund. The price per share will generally trade at a premium or discount to the net asset value per share. Unlike exchange-traded funds or open-ended mutual funds, closed-ended funds cannot be redeemed at their net asset value and do not issue additional shares. This supply and demand limitation can cause large premiums or discounts. If the Underlying Fund purchases shares of a closed-ended fund at a premium, the premium could decline over time. Conversely, if the Underlying Fund purchases shares at a discount, there is no guarantee that the shares will ever trade close to their net asset value. Historically, closed-ended funds traded at large discounts, particularly in periods of market stress or dislocation.

Exchange-Traded Funds (ETFs). The Underlying Fund may invest in shares of exchange-traded funds ("ETFs"), including for hedging purposes. As an investor in ETFs, the Underlying Fund will bear its ratable share of various fees, allocations and expenses of the ETF, all of which are embedded in the net asset value of the ETF. ETFs represent shares of ownership in either funds or unit investment trusts that hold portfolios of common stocks, bonds or other instruments, which are designed to generally correspond to the price and yield performance of an underlying index. A primary risk factor relating to ETFs is that the general level of stock or bond prices may decline, thus affecting the value of an equity or fixed income ETF, respectively. An ETF may also be adversely affected by the performance of the specific sector or group of industries on which it is based. Moreover, although ETFs are designed to provide investment results that generally correspond to the price and yield performance of their underlying indices, ETFs may not be able to exactly replicate the performance of the indices because of their expenses and other factors. It should also be noted that the Investment Company Act places certain restrictions on the percentage of

ownership that a private investment fund may have in a registered investment company (an ETF is a registered investment company).

Structured Credit. Structured credit generally refers to a method of pooling debt obligations and then redistributing the associated cash flows, in theory reallocating the associated risks at the same time. The Underlying Fund Manager will seek to invest in structured credit both long and short where its single name corporate credit research views give it an advantage versus model driven investors including, without limitation, CDX index tranches, bespoke equity and mezzanine tranches, collateralized loan obligations liabilities and equity, bank trust preferred CDOs and CMBX.

Merger Arbitrage Deal Risk. The most significant risk in merger arbitrage is that a transaction will be abandoned such that the value of securities purchased may fall, resulting in loss of capital. This loss may be increased if the price of the shorted security (i.e., the acquiring company) rises as the deal is called off. Abandonment may occur for a number of reasons, including (i) regulatory or antitrust prohibitions, delays or restrictive conditions for approval of the merger; (ii) problems arising out of due diligence review; (iii) incompatibility of the managements of the two parties; (iv) incompatibility of strategies; or (v) a movement outside of the required price range in “collar” transactions. Where a deal is not abandoned, there may still be a risk of price renegotiation. Risk of abandonment is comparatively low in spin-off transactions as the decision-making is completely in one party’s control (subject only to the approval of the U.S. Internal Revenue Service (the “IRS”) if tax-free status is sought). Accordingly, it is unlikely that there will be regulatory issues. However, the timing of the spin-off may be delayed.

High Yield Securities. The Underlying Fund may invest in “high yield” bonds and preferred securities that are rated in the lower rating categories by the various credit rating agencies (or in comparable non-rated securities). Securities in the lower rating categories are subject to greater risk of loss of principal and interest than higher-rated securities and are generally considered to be predominately speculative with respect to the issuer’s capacity to pay interest and repay principal. They are also generally considered to be subject to greater risk than securities with higher ratings in the case of deterioration of general economic conditions. Because investors generally perceive that there are greater risks associated with lower-rated securities the yields and prices of such securities may tend to fluctuate more than those of higher-rated securities. The market for lower-rated securities is thinner and less active than that for higher-rated securities, which can adversely affect the prices at which these securities can be sold. In addition, adverse publicity and investor perceptions about lower rated securities, whether or not based on fundamental analysis, may be a contributing factor in a decrease in the value and liquidity of such lower-rated securities.

Preferred Stocks. The Underlying Fund will invest in preferred stocks. Preferred stocks, like many debt obligations, are generally fixed-income securities. Shareholders of preferred stocks normally have the right to receive dividends at a fixed rate when and as declared by the issuer’s board of directors, but do not participate in other amounts available for distribution by the issuing corporation. In some countries, dividends on preferred stocks may be variable, rather than fixed. Dividends on the preferred stock may be cumulative, and all cumulative dividends usually must be paid prior to common shareholders of common stock receiving any dividends. Because preferred stock dividends must be paid before common stock dividends, preferred stocks generally entail less risk than common stocks. Upon liquidation, preferred stocks are entitled to a specified liquidation preference, which is generally the same as the par or stated value, and are senior in right of payment to common stock. Preferred stocks are, however, equity securities in the sense that they do not represent a liability of the issuer and, therefore, do not offer as great a degree of protection of capital or assurance of continued income as investments in corporate debt securities. Preferred stocks are generally subordinated in right of payment to all debt obligations and creditors of the issuer, and convertible preferred stocks may be subordinated to other preferred stock of the same issuer.

Micro to Small Capitalization Companies. From time to time, a significant portion of the Underlying Fund's assets will be invested in securities of micro and small capitalization companies and recently organized companies and, conversely, the Underlying Fund may establish significant short positions in such securities. Historically, such securities have been more volatile in price than those of larger capitalized, more established companies included in the Standard & Poor's 500 Index (the "S&P 500"). The securities of micro and small capitalization and recently organized companies pose greater investment risks because such companies have limited product lines, distribution channels and financial and managerial resources. Further, there is often less publicly available information concerning such companies than for larger, more established businesses. The equity securities of micro and small capitalization companies are often traded over-the-counter or on regional exchanges and may not be traded in the volumes typical on a national securities exchange. Consequently, the portfolio manager may be required to dispose of such securities or cover a short position over a longer (and potentially less favourable) period of time than is required to dispose of or cover a short position with respect to the securities of larger, more established companies. Investments in companies with limited operating histories are more speculative and entail greater risk than do investments in companies with an established operating record.

Portfolio Turnover. The investment strategy of the Underlying Fund may require the Underlying Fund Manager to actively trade the Underlying Fund's portfolio, and as a result, turnover and brokerage commission expenses of the Underlying Fund may significantly exceed those of other investment entities of comparable size.

Non-Diversification. Although the Underlying Fund has no investment restrictions with respect to types of securities, countries or industry sectors, the Underlying Fund's portfolio may not be as diversified as other investment vehicles. Accordingly, the Underlying Fund's portfolio may be subject to more rapid change in value than would be the case if the Underlying Fund were required to maintain a wide diversification.

Non-U.S. Securities. While the Underlying Fund expects the majority of its assets to be invested in securities that are U.S. based or listed, the Underlying Fund may invest outside of the United States. Investing in securities of non-U.S. governments and companies which are generally denominated in non-U.S. currencies and utilization of options and swaps on non-U.S. securities involves certain considerations comprising both risks and opportunities not typically associated with investing in securities of the United States government or United States companies. These considerations include changes in exchange rates and exchange control regulations, political and social instability, expropriation, imposition of foreign taxes, less liquid markets and less available information than is generally the case in the United States, higher transaction costs, less government supervision of exchanges, brokers and issuers, greater risks associated with counterparties and settlement, difficulty in enforcing contractual obligations, lack of uniform accounting and auditing standards and greater price volatility.

Emerging Markets. The Underlying Fund may invest in debt and/or equity securities or other obligations of non-U.S. companies, including companies in emerging markets. Such investments may offer considerably greater potential returns, but may also involve more complex risks, including the application of different bankruptcy and receivership statutes affecting the rights of creditors in foreign venues. The securities or other obligations of non-U.S. companies may be denominated in U.S. dollars or foreign currencies. The incurrence of foreign currency exposure adds a degree of risk which the Underlying Fund Manager may at its discretion leave unhedged.

Over-the-Counter Derivatives. Over-the-counter ("OTC") derivatives, and the risks associated with OTC derivatives, are different from financial instruments traded on exchanges or through clearing houses. The risks related to OTC derivatives include, but are not limited to the following: (i) credit risk (the

exposure of the possibility of loss resulting from a counterparty's failure to meet its financial obligations); (ii) legal risk (the characterization of a transaction, particularly the enforceability of such contract in the context of insolvency or bankruptcy); (iii) operational risk (inadequate controls, deficient procedures, human error, system failure or fraud); (iv) documentation risk (exposure to loss created by poor documentation); (v) liquidity risk (reliance on the dealer to make a market in the underlying derivative); and (vi) systematic risk (the risk that financial difficulties in one institution or a major market disruption will cause uncontrollable financial harm to the financial system). Transaction in OTC derivatives may involve other risks as well, as there is no exchange market on which a counterparty can close out an open position. OTC transactions are bilateral agreements, and therefore, there is a certain reliance on the dealer to provide liquidity to an existing position and to assess the value of a position, particularly if the derivative is not standard. Certain OTC derivatives may require little or no initial margin, and generally, variable margin (i.e., the amount posted after the initial transaction) is much lower than margin for exchange traded instruments. As a result, to the extent the Underlying Fund has entered into an OTC derivative, these lower margin amounts will allow the Underlying Fund to amplify its gains and losses. A large movement against the Underlying Fund's OTC derivative positions will result in a loss and you may lose some or all of your investment. The SEC and the U.S. Commodity Futures Trading Commission (the "CFTC") will also require a substantial portion of derivative transactions that are currently executed on a bi-lateral basis in the OTC markets to be executed through a regulated securities, futures, or swap exchange or execution facility. Certain CFTC-regulated derivatives trades are subject to these rules. It is not yet clear when the parallel SEC requirements will go into effect. These requirements may make it more difficult and costly for investment funds, including the Underlying Fund, to enter into highly tailored or customized transactions. They may also render certain strategies in which the Fund might otherwise engage impossible or so costly that they will no longer be economical to implement. If the Underlying Fund decides to become a direct member of one or more of these exchanges or execution facilities, the Underlying Fund would be subject to all of the rules of the exchange or execution facility, which would bring additional risks and liabilities, and potential additional regulatory requirements. OTC derivative dealers are now required to register with the CFTC and will ultimately be required to register with the SEC. Dealers are subject to new minimum capital and margin requirements, business conduct standards, disclosure requirements, reporting and recordkeeping requirements, transparency requirements, position limits, limitations on conflicts of interest, and other regulatory burdens. These requirements further increase the overall costs for OTC derivative dealers, which costs may be passed along to market participants as market changes continue to be implemented. The overall impact of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act") on the Underlying Fund remains highly uncertain and it is unclear how the OTC derivatives markets will adapt to this new regulatory regime, along with additional, sometimes overlapping, regulatory requirements imposed by non-U.S. regulators.

Over-the-Counter FX Prime Brokerage Structure Risks. The Underlying Fund Manager will utilize a prime brokerage structure for purposes of its FX trading. This structure poses additional risks as compared to the Underlying Fund Manager's futures trading. The Underlying Fund Manager may enter into agreements with its FX prime brokers in which limits may be imposed on the net open position amount and the daily settlement amount outstanding between an FX prime broker and each FX dealer, on the time frame in which a transaction has to be recorded between an FX prime broker and the dealers measured from the moment of trade execution with an FX dealer, and on the tenor of the transactions. If any of the limits mentioned herein were to be breached in the course of one of the Underlying Fund Manager's FX transactions, each FX prime broker reserves the right to not accept this transaction or even to terminate its relevant agreements with the Investment Manager with immediate effect. Also, under certain circumstances, an FX prime broker may have the right to unilaterally amend the mentioned limits. The aforementioned limits pose certain risks to the Underlying Fund. For example, the Underlying Fund Manager may not, from time to time, be able to trade through a preferred FX dealer if the position limit with this FX dealer has been fully utilized. Additionally, an immediate termination of a prime brokerage or related give-up agreement would force the Underlying Fund Manager to continue its FX trading without

give-up facilities (i.e., to execute all of its FX transactions through its FX prime brokers). This could lead to increased slippage because the FX prime broker(s) may provide less competitive bid-ask prices than the other FX dealers under the prime brokerage structure.

Counterparty Risk. To the extent that the Underlying Fund invests in swaps, "synthetic" or derivative instruments, repurchase agreements, forward contracts, certain types of options or other customized financial instruments, or, in certain circumstances, non-U.S. securities, the Underlying Fund takes the risk of non-performance by the other party to the contract. This risk may include credit risk of the counterparty and the risk of settlement default. This risk may differ materially from those entailed in exchange-traded transactions that generally are supported by guarantees of clearing organizations, daily mark-to-market and settlement, and segregation and minimum capital requirements applicable to intermediaries. Transactions entered directly between two counterparties generally do not benefit from such protections and expose the parties to the risk of counterparty default.

Commodity-Related Securities. The production and marketing of commodities may be affected by actions and changes in governments. In addition, commodity-related securities may be cyclical in nature. During periods of economic or financial instability, commodity-related securities may be subject to broad price fluctuations, reflecting volatility of energy and basic materials prices and possible instability of supply of various commodities. Commodity-related securities may also experience greater price fluctuations than the relevant commodity. In periods of rising commodity prices, such securities may rise at a faster rate, and conversely, in time of falling commodity prices, such securities may suffer a greater price decline.

Derivatives. To the extent that the Underlying Fund invests in swaps, derivative or synthetic instruments, or enters into repurchase agreements or other over-the-counter transactions, the Underlying Fund may take a credit risk with regard to parties with whom it trades and may also bear the risk of settlement default. These risks may differ materially from those entailed in exchange-traded transactions that generally are backed by clearing organization guarantees, more frequent mark-to-market and settlement, and segregation and minimum capital requirements applicable to intermediaries. Transactions entered directly between two counterparties generally do not benefit from such protections and expose the parties to the risk of counterparty default. It is expected that all securities and other assets deposited with custodians or brokers will be clearly identified as being assets (directly or indirectly) of the Underlying Fund, and hence the Underlying Fund should not be exposed to a credit risk with regard to such parties. However, it may not always be possible to achieve this segregation, and there may be practical or time problems associated with enforcing rights to its assets in the case of an insolvency of any such party.

Swaps. Whether the Underlying Fund's use of swap agreements or swaptions (defined below) will be successful will depend on the Underlying Fund Manager's ability to select appropriate transactions for the Underlying Fund. Swap agreements and options on swap agreements ("swaptions") can be individually negotiated and structured to include exposure to a variety of different types of investments, asset classes or market factors. Depending on their structure, swaps may increase or decrease the Underlying Fund's exposure to commodity prices, equity or debt securities, long-term or short-term interest rates, non-U.S. currency values, credit spreads or other factors. Swap agreements can take many different forms and are known by a variety of names. Swap transactions may be highly illiquid and may increase or decrease the volatility of the Underlying Fund's portfolio. The Underlying Fund bears the risk of loss of the amount expected to be received under a swap agreement in the event of the default or insolvency of its counterparty. The Underlying Fund will also bear the risk of loss related to swap agreements, for example, for breaches of such agreements or the failure of the Underlying Fund to post or maintain required collateral. It is possible that developments in the swap markets, including potential government regulation, could adversely affect the Underlying Fund's ability to terminate swap transactions or to realize amounts to be received under such transactions.

Currency Risks. The Underlying Fund may have exposure to fluctuations in currency exchange rates. It may, in part, seek to offset the risks associated with this exposure or enter into foreign exchange transactions to increase its returns. These transactions involve a significant degree of risk and foreign exchange markets are volatile, specialized and technical. Significant changes, including changes in liquidity and prices, can occur in these markets within very short periods of time. Changes in exchange rates over time are the result of many factors directly or indirectly affecting the economic and political conditions in the country or economic region associated with a specific currency. Exchange rates fluctuate for a number of reasons, including existing and expected rates of inflation, existing and expected interest rate levels, the balance of payments between the relevant country and its major trading partners, political, civil or military unrest in the relevant country or economic region; and monetary, fiscal and trade policies of the relevant country or economic region (including pegging, de-pegging, flooring or capping an exchange rate relative to another currency). Governments use a variety of techniques, such as intervention by their central banks or imposition of regulatory controls or taxes, to affect the exchange rate of their currencies. Foreign exchange rates can either be fixed by sovereign governments or floating. Exchange rates of most economically developed nations are permitted to fluctuate in value relative to the value of other currencies. However, governments do not always allow their currencies to float freely in response to economic forces. Governments use a variety of techniques, such as intervention by their central bank or imposition of regulatory controls or taxes, to affect the trading value of their respective currencies. They may also issue a new currency to replace an existing currency or alter the exchange rate or relative exchange characteristics by devaluation or revaluation of a currency. The value of the Underlying Fund could be affected by the actions of sovereign governments, which could change or interfere with theretofore freely determined currency valuation, fluctuations in response to other market forces and the movement of currencies across borders. Additionally, market perceptions of the relative strength or cohesion of a specific political state or monetary union can dramatically affect the value of a currency. Fluctuations in exchange rates may negatively impact the value of an investment in the Underlying Fund to the extent the Underlying Fund has currency exposure in the form of a hedge, a non-U.S. dollar denominated instrument or as a standalone position.

Forward Foreign Exchange Contracts. The Underlying Fund may enter into forward foreign exchange contracts. A forward foreign exchange contract is a contractually binding obligation to purchase or sell a particular currency at a specified date in the future. Forward foreign exchange contracts are not uniform as to the quantity or time at which a currency is to be delivered. As a result of the Dodd-Frank Act, the CFTC now regulates non-deliverable forwards (including deliverable forwards where the parties do not take delivery). Changes in the forward markets may entail increased costs and result in burdensome reporting requirements. Certain of the forward foreign exchange contracts which the Underlying Fund trades are effected through the interbank market. The interbank market is not a market with a specific location but rather a network of electronically linked participants. Central clearing is only offered in respect of certain types of forward foreign exchange contracts entered into on this market and accordingly, if the Underlying Fund wishes to ‘close out’ any such contract before the specified date, it will be reliant upon the agreement of the relevant counterparty. There is currently no limitation on the daily price movements of forward contracts, and none of the Underlying Fund’s counterparties will be required to make or continue to make a market in any forward contracts. In exceptional circumstances there have been periods during which certain banks have refused to quote prices for forward contracts or have quoted prices with an unusually wide spread between the price at which the bank is prepared to buy and that at which it is prepared to sell. The imposition of credit restrictions on the dealing facilities which any counterparty may agree to provide to the Underlying Fund may subsequently limit the ability of the Underlying Fund to enter into transactions in forward foreign exchange contracts. For forward foreign exchange contracts that are not regulated as swaps by the CFTC or not yet subject to mandatory exchange trading or clearing by the CFTC, the Underlying Fund will be subject to the risk that the Underlying Fund’s counterparties may be unable or refuse to perform with respect to such contracts. Any such default would eliminate any profit

potential and compel the Underlying Fund to cover its commitments for resale or repurchase, if any, at the then current market price. These events could result in significant losses.

Possible Effects of Changes in Regulation. Legal, tax and regulatory developments could occur. Securities, futures and other financial markets are subject to comprehensive statutes, regulations and margin requirements enforced by the SEC, the CFTC and other U.S. and non-U.S. regulators and self-regulatory organizations and exchanges authorised to take extraordinary actions in the event of market emergencies. The regulation of derivatives transactions and funds that engage in such transactions is an evolving area of law and is subject to modification by government and judicial actions. The regulatory environment for private funds is evolving, and changes in the regulation of hedge funds and their trading activities may adversely affect the ability of investors to pursue certain investment strategies, the ability to obtain leverage and financing, and the value of certain investments. In 2010, the U.S. Congress the Dodd-Frank Act regarding the operation of banks, private fund managers and other financial institutions which included provisions regarding the regulation of swaps and other derivatives, with many provisions of the Dodd-Frank Act to be implemented through regulatory rulemakings and similar processes over a period of time. The impact of the Dodd-Frank Act, and of follow-on regulation, on certain trading strategies and operations remains highly uncertain, and may be adverse. U.S. and non-U.S. regulators may take additional actions in light of other developments in global financial markets, such as the recent European debt crisis. In September 2008, for example, the SEC and various non-U.S. regulatory bodies imposed temporary bans on short-selling of a variety of stocks, and adopted other regulations that may have the effect of making short-selling more difficult or costly. These changes may adversely affect the markets in which the Underlying Fund invests, and may limit or adversely affect the ability of the Underlying Fund Manager to use short sales, swaps and other derivatives as part of the investment and hedging strategies used by the Underlying Fund Manager.

Dependence on Underlying Fund Manager. The Underlying Fund relies on the Underlying Fund Manager and the manager for the management of its investment portfolio. The manager is solely responsible for the investment decisions made with respect to the Underlying Fund. Should the manager determine to discontinue managing the affairs of, or withdraw from, the Underlying Fund Manager or should the manager die, be incapacitated or, for some other reason, be unable to effectively manage the affairs of the Underlying Fund Manager, the business and results of the operations of the Underlying Fund may be adversely affected and a shareholder's redemption terms may be altered.

Limited Regulatory Oversight. Although the Underlying Fund may be considered similar to an investment company, it is not required to, and does not intend to, register as such under the Investment Company Act. Accordingly, certain provisions of the Investment Company Act (which, among other things, require investment companies to have a certain number of disinterested directors and regulate the relationship between the adviser and the investment company) will not be applicable to the Underlying Fund. Furthermore, registration under the Cayman Islands Mutual Funds Law (Revised) does not involve a detailed examination of the merits of the Underlying Fund or the Underlying Master Fund, or substantive supervision of the investment performance of the Underlying Fund or the Underlying Master Fund by the Cayman Islands government or the Cayman Islands Monetary Authority. There is no financial obligation or compensation scheme imposed on or by the government of the Cayman Islands in favor of or available to the investors in the Underlying Fund or the Underlying Master Fund. There is no financial obligation of compensation scheme imposed on or by the government of the Cayman Islands in favor of, or available to, the investors in the Underlying Fund or the Underlying Master Fund.

Master-Feeder Fund Structure. The Underlying Fund will invest through a "master-feeder" structure. The Underlying Fund will contribute substantially all of its assets to the Underlying Master Fund. The master-feeder fund structure, in particular the existence of multiple investment vehicles investing in the same portfolio, presents certain unique risks to investors. Smaller investment vehicles investing in a

master fund may be materially affected by the actions of larger investment vehicles investing in the Underlying Master Fund. For example, if a larger investment vehicle withdraws from a master fund, the remaining funds may experience higher pro rata operating expenses, thereby producing lower returns. Similarly, a master fund may become less diverse due to a withdrawal by a larger investment vehicle, resulting in increased portfolio risk.

Valuation. The Underlying Fund's assets and liabilities are valued in accordance with the Underlying Fund Manager's valuation policies and procedures, as may be amended from time to time, a copy of which will be available upon request. Such valuations will be made in accordance with GAAP. In making valuation determinations, the Underlying Fund Manager may be deemed subject to a conflict of interest, as the valuation of such assets and liabilities affects its compensation and the compensation of the Underlying Fund General Partner. There is no guarantee that the value determined with respect to a particular asset or liability by the Underlying Fund Manager will represent the value that will be realized by the Underlying Fund on the eventual disposition of the related investment or that would, in fact, be realized upon an immediate disposition of the investment.

Subscription Monies. Where a subscription for common shares is accepted, the common shares will be treated as having been issued with effect from the relevant subscription date notwithstanding that the subscriber for those common shares may not be entered in the Underlying Fund's register of members until after the relevant subscription date. The subscription monies paid by a subscriber for common shares will accordingly be subject to investment risk in the Underlying Fund from the relevant subscription date.

Limited Redemption and Transfer Rights. A shareholder generally will be permitted to redeem all or any part of its holdings of common shares only in accordance with the terms described herein. Transfers of the common shares will be permitted only with the written consent of the Underlying Fund Directors. Accordingly, the common shares should only be acquired by investors willing and able to commit their funds for an appreciable period of time.

Effect of Redemptions. Where a redemption request is accepted, the common shares will be treated as having been redeemed with effect from the relevant redemption date irrespective of whether or not such redeeming shareholder has been removed from the Underlying Fund's register of members or the redemption price has been determined or remitted. Accordingly, on and from the relevant redemption date, shareholders in their capacity as such will not be entitled to or be capable of exercising any rights arising under the articles with respect to common shares being redeemed (including any right to receive notice of, attend or vote at any meeting of the Underlying Fund) save the right to receive the redemption price and any dividend which has been declared prior to the relevant redemption date but not yet paid (in each case with respect to the common shares being redeemed). Such redeemed shareholders will be creditors of the Underlying Fund with respect to the redemption price. In an insolvent liquidation, redeemed shareholders will rank behind ordinary creditors but ahead of Shareholders. Details of the redemption price applicable to any common shares may be obtained by the relevant redeemed shareholder from the Underlying Fund administrator.

Side Letters. The Underlying Fund has entered into and may, in the future, enter into additional, agreements ("Side Letters"), with certain prospective or existing shareholders whereby such shareholders may be subject to terms and conditions that are more advantageous than those set forth in the Underlying Fund Documents. The modifications are solely at the discretion of the Underlying Fund and may, among other things, be based on the size of the shareholder's investment in the Underlying Fund or affiliated investment entity, an agreement by a shareholder to maintain such investment in the Underlying Fund for a significant period of time or other similar commitment by a shareholder to the Underlying Fund, or may be granted to founding or strategic shareholders.

Underlying Fund Performance Fee. The allocation of a percentage of the Underlying Fund's net profits to the Underlying Fund General Partner may create an incentive for the Underlying Fund Manager, an affiliate of the Underlying Fund General Partner, to cause the Underlying Fund to make investments that are riskier or more speculative than would be the case if this allocation were not made. Since the Underlying Fund Performance Fee is calculated on a basis that includes unrealized appreciation of assets, such fee may be greater than if it were based solely on realized gains.

Cross Class Liabilities. Each separate class of common shares will represent a separate account and will be maintained with separate accounting records. However, the Underlying Fund is a single legal entity. Thus, all of the assets of the Underlying Fund may be available to meet all of the liabilities of the Underlying Fund, regardless of the separate account to which such assets or liabilities are attributable. In practice, cross class liability will usually only arise where any class becomes insolvent or exhausts its assets and is unable to meet all of its liabilities. At the date of this document, the board of directors of the Underlying Fund is not aware of any such existing or contingent liability.

No Operating History. Each of the Underlying Fund Manager, the Underlying Master Fund and the Underlying Fund is a newly formed entity and has no operating history upon which investors can evaluate its likely performance. Accordingly, an investment in the Fund entails a significant degree of risk.

Business and Regulatory Risks of Hedge Funds. The regulatory environment for hedge funds is evolving, and changes in the regulation of hedge funds may adversely affect the value of investments held by the Underlying Fund and the ability of the Underlying Fund to obtain the leverage it might otherwise obtain or to pursue its trading strategies. In addition, securities and futures markets are subject to comprehensive statutes, regulations and margin requirements. Regulators and self-regulatory organizations and exchanges are authorized to take extraordinary actions in the event of market emergencies. The regulation of derivative transactions and funds that engage in such transactions is an evolving area of law and is subject to modification by government and judicial actions. The effect of any future regulatory change on the Underlying Fund could be substantial and adverse.

Non-Disclosure of Positions. In an effort to protect the confidentiality of its positions, the Underlying Fund generally will not disclose all of its positions to shareholders on an ongoing basis except as detailed in the monthly position summaries and risk reports, although the Underlying Fund Manager, in its sole discretion, may permit such disclosure on a select basis to certain shareholders. The Underlying Fund Directors, in their sole discretion, may determine to issue a new class of common shares to such shareholders in these circumstances.

Investments By the Underlying Fund Management Personnel. The underlying fund management personnel may choose to personally invest, directly and/or indirectly, in the Underlying Fund. As shareholders of the Underlying Fund, these underlying fund management personnel are in possession of information relating to the employees, the Underlying Master Fund and the portfolio that is not available to other shareholders and prospective shareholders. It is expected that, if such investments are made by these underlying fund management personnel, the size and nature of these investments will change over time without notice to other shareholders. These shareholders will typically be able to on a quarterly basis, however they may be granted preferential liquidity in the form of a shorter notice period from other shareholders and prospective shareholders and/or more frequent redemption dates than the notice periods and/or redemption frequency that are provided to other shareholders and prospective shareholders. In addition, these shareholders may be subject to lower or no fees.

Co-Investments. While there is no current intention to do so, the Underlying Fund Manager may, in the future, offer co-investment opportunities. There are risks and conflicts associated with the offering of co-investment opportunities, co-investments and related expenses. The Underlying Fund Manager may, but

is not required to, provide co-investment opportunities to third parties, including shareholders, strategic investors and/or other third parties not affiliated with the Underlying Fund Manager (or its members, partners, principals, affiliates and employees). Co-investment opportunities are determined in the sole discretion of the Underlying Fund Manager, and a shareholder that desires to participate in a potential co-investment may not receive the full amount, or any amount, of its desired co-investment. When offering co-investment opportunities to a particular third party, the Underlying Fund Manager considers a variety of factors, including whether the co-investor may provide strategic value to the Underlying Fund Manager, its clients, the Underlying Fund Manager's prior experience with the co-investor (if any), legal, tax and regulatory matters and whether such third party has previously expressed an interest in participating in co-investment opportunities. The Underlying Fund Manager (or its members, principals, partners, affiliates and employees) may also participate, directly or indirectly, in co-investments and accordingly, this may reduce the availability of co-investment opportunities for third parties. The terms applicable to any co-investment opportunity will be established in the sole discretion of the Underlying Fund Manager, and co-investors may not be subject to any fee in relation to the co-investment opportunity.

The foregoing list of risk factors does not purport to be a complete explanation of the risks involved in the speculative trading in which the Fund will participate through its investment in the Underlying Fund. Prospective Investors should read this entire Supplement and consult with their legal, tax and financial advisors before determining whether to invest in the Fund. Prospective investors should not consider investing in the Fund if they are unable to fully understand, or are unwilling and financially unable to assume, the substantial risks involved in investing in the Fund, which include the risk of losing all or substantially all of their investment.