

A MUTUAL FUND LICENCE ISSUED BY THE CAYMAN ISLANDS MONETARY AUTHORITY DOES NOT CONSTITUTE AN OBLIGATION OF THE AUTHORITY TO ANY INVESTOR AS TO THE PERFORMANCE OR CREDITWORTHINESS OF THE RETAIL MUTUAL FUND. FURTHERMORE, IN ISSUING SUCH A LICENCE THE AUTHORITY SHALL NOT BE LIABLE FOR ANY LOSSES OR DEFAULT OF THE RETAIL MUTUAL FUND OR FOR THE CORRECTNESS OF ANY OPINIONS OR STATEMENTS EXPRESSED IN ANY PROSPECTUS.

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## PROSPECTUS

### QT FUND LTD

*a Cayman Islands exempted company licensed as a retail mutual fund  
with the Cayman Islands Monetary Authority*

**April 30, 2019**

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PURSUANT TO AN EXEMPTION FROM THE US COMMODITY FUTURES TRADING COMMISSION (THE “CFTC”) IN CONNECTION WITH POOLS WHOSE PARTICIPANTS ARE LIMITED TO QUALIFIED ELIGIBLE PERSONS (SPECIFICALLY, NON-US PERSONS), AN OFFERING MEMORANDUM FOR THIS POOL IS NOT REQUIRED TO BE, AND HAS NOT BEEN, FILED WITH THE CFTC. THE CFTC DOES NOT PASS UPON THE MERITS OF PARTICIPATING IN A POOL OR UPON THE ADEQUACY OR ACCURACY OF AN OFFERING MEMORANDUM. CONSEQUENTLY, THE CFTC HAS NOT REVIEWED OR APPROVED THIS OFFERING OR ANY OFFERING MEMORANDUM FOR THIS POOL.

## **DIRECTORY**

### **Registered Office of the Fund**

PO Box 309  
Ugland House  
Grand Cayman KY1-1104  
Cayman Islands

#### **DIRECTORS**

George Bashforth  
Sophia A. Dilbert  
Damian Juric

#### **INVESTMENT MANAGER**

Credit Suisse Asset Management, LLC  
11 Madison Avenue  
New York, New York 10010  
United States of America

#### **SUB-INVESTMENT MANAGER**

Credit Suisse (Hong Kong) Limited  
Level 88, International Commerce Centre  
1 Austin Road West  
Hong Kong

#### **SUB-INVESTMENT MANAGER**

G10 Capital Limited  
136 Buckingham Palace Road  
SW1W 9SA London  
United Kingdom

#### **ADMINISTRATOR**

SS&C Guernsey Limited  
1st Floor, Tudor House,  
Le Bordage  
St Peter Port  
Guernsey, GY1 1DB

#### **DESIGNATED CUSTODIAN**

Morgan Stanley and Co. LLC  
1585 Broadway  
New York, New York  
10019  
United States of America

#### **AUDITORS**

KPMG  
P.O. Box 493  
Century Yard, Cricket Square  
Grand Cayman KY1-1106  
Cayman Islands

#### **PRINCIPAL BANKER**

Citibank  
388 Greenwich Street  
New York, NY 10013  
United States of America

### **PRIME BROKERS AND CUSTODIANS**

Barclays Capital Securities Limited  
5 North Colonnade  
Canary Wharf  
London E14 4BB  
United Kingdom

Barclays Capital Inc.  
745 7<sup>th</sup> Avenue  
New York, New York  
10019  
United States of America

Goldman Sachs & Co. LLC  
200 West Street  
New York, New York  
10282-2198  
United States of America

J.P. Morgan Securities plc  
25 Bank Street  
Canary Wharf  
London E14 5JP  
United Kingdom

Morgan Stanley and Co. LLC  
1585 Broadway  
New York, New York  
10019  
United States of America

**LISTING SPONSORS**

**Cayman Islands Stock Exchange**

Maples and Calder  
PO Box 309  
Ugland House  
Grand Cayman KY1-1104  
Cayman Islands

**The International Stock Exchange**

Carey Olsen Corporate Finance Limited  
47 Esplanade  
St Helier  
Jersey  
JE1 0BD

**LEGAL ADVISORS**

**As to English Law**

Schulte Roth & Zabel International LLP  
One Eagle Place  
London SW1Y 6AF  
United Kingdom

**As to US Law**

Schulte Roth & Zabel LLP  
919 Third Avenue  
New York, NY 10022  
United States of America

**As to Cayman Islands Law**

Maples and Calder  
PO Box 309  
Ugland House  
Grand Cayman KY1-1104  
Cayman Islands

**As to Guernsey Law**

Carey Olsen (Guernsey) LLP  
P.O. Box 98  
Carey House, Les Banques  
St Peter Port  
Guernsey GY1 4BZ

## PROSPECTUS

### QT FUND LTD

QT Fund Ltd (the “**Fund**”) is currently offering the Shares described in this Prospectus (this “**Prospectus**”) to certain investors that, upon completion of an acquisition for shares in the offering, will become shareholders of the Fund (the “**Shareholders**”).

This offering includes a public offering to retail and other investors in the Cayman Islands and the Bailiwick of Guernsey. In addition, the Class A Shares have been admitted to the official list of each of the Cayman Islands Stock Exchange and the Channel Islands Securities Exchange Authority Limited (now trading as The International Stock Exchange). The Shares will also be offered for sale in other jurisdictions to Qualifying Investors subject to the restrictions set forth herein. This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any of the Shares in any jurisdiction to any person to whom it would be unlawful to make such an offer in such jurisdiction.

The Shares are offered solely on the basis of this Prospectus and documents incorporated by reference herein which include any supplement to this Prospectus and, when published, the most recent annual report and accounts of the Fund. Distribution of this Prospectus without such report and accounts (if any) is not authorized.

This Prospectus is accurate as of its date in all material respects, and no representation or warranty is made as to its continued accuracy after such date. Except as required by applicable law, none of the Fund or any of its authorized representatives has any obligation to update this Prospectus at any time in the future. Information contained in this Prospectus is subject to modification, supplementation and amendment at any time and from time to time. Each investor will be required to acknowledge that it made an independent decision to invest in the Fund and that it is not relying on the Fund, the Administrator, the Investment Manager or the Sub-Investment Managers or any other person or entity (other than such investor’s own advisers) with respect to the legal, tax, financial, risk or other considerations involved in an investment in the Fund. Past performance is no guarantee of future results.

Certain information contained in this Prospectus constitutes “forward-looking statements”, which can be identified by the use of forward-looking terminology such as “may”, “will”, “should”, “expect”, “anticipate”, “target”, “project”, “estimate”, “intend”, “continue” or “believe”, or the negatives thereof or other variations thereon or comparable terminology. Due to various risks and uncertainties, actual events or results of the actual performance of any investment made by the Fund may differ materially from those reflected or contemplated in such forward-looking statements.

Each prospective or current investor, when making its decision to subscribe for Shares or making a subsequent investment decision with respect to the Fund, can rely only on information included in the Fund Documents.

An investment in the Fund is highly speculative and involves a high degree of risk due to the nature of the Fund’s investments and the investment strategies and trading strategies to be employed. An investment in the Fund should not in itself be considered a balanced investment program. Investors should be able to withstand the loss of their entire investment.

No guarantee or representation is made that the Fund's investment program will be successful.

Investment in the Fund is suitable only for those persons and institutions for whom such investment does not represent a complete investment program, who understand the degree of risk involved (as detailed in the "Certain Risk Factors" section of this Prospectus) and believe that the investment is suitable based upon investment objectives and financial needs. An investment in the Fund should be viewed as medium to long-term.

The securities offered by this Prospectus are not deposits or other obligations of Credit Suisse AG or any other banking entity, are not guaranteed by Credit Suisse AG or any other banking entity and are not insured by the US Federal Deposit Insurance Corporation or any other governmental agency and involve investment risks, including possible loss of principal invested.

Any losses in the Fund will be borne solely by investors in the Fund and not by the Investment Manager or its affiliates. The Investment Manager and its affiliates' losses in the Fund will be limited to losses attributable to any ownership interests in the Fund held by the Investment Manager and its affiliates in their capacity as investors in the Fund.

YOU SHOULD ALSO BE AWARE THAT THIS COMMODITY POOL MAY TRADE FOREIGN FUTURES OR OPTIONS CONTRACTS. TRANSACTIONS ON MARKETS LOCATED OUTSIDE THE UNITED STATES, INCLUDING MARKETS FORMALLY LINKED TO A UNITED STATES MARKET, MAY BE SUBJECT TO REGULATIONS WHICH OFFER DIFFERENT OR DIMINISHED PROTECTION TO THIS POOL AND ITS PARTICIPANTS. FURTHER, UNITED STATES REGULATORY AUTHORITIES MAY BE UNABLE TO COMPEL THE ENFORCEMENT OF THE RULES OF REGULATORY AUTHORITIES OR MARKETS IN NON-US JURISDICTIONS WHERE TRANSACTIONS FOR THIS POOL MAY BE EFFECTED.

All references herein to "US Dollars" or "US\$" are to the lawful currency of the United States; to "Euro", "EUR" or "€" are to the unit of the European single currency; to "Sterling", "GBP" or "£" are to the lawful currency of the United Kingdom; and to "Swiss Francs" or "CHF" are to the lawful currency of Switzerland.

#### **CAYMAN ISLANDS STOCK EXCHANGE**

This Prospectus includes information given in compliance with the listing rules of the Cayman Islands Stock Exchange. The Board of Directors collectively and individually accept full responsibility for the accuracy of the information contained in the Prospectus and confirm, having made reasonable enquiry, that to the best of their knowledge and belief there are no facts the omission of which would make any statement within the Prospectus misleading. The Cayman Islands Stock Exchange takes no

responsibility for the contents of this Prospectus, makes no representations as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss arising from or in reliance upon any part of this Prospectus.

The Class A Shares (Unrestricted) were admitted to the official list of the Cayman Islands Stock Exchange on February 3, 2017.

An application has been made to the Cayman Islands Stock Exchange for the Class A Shares (Restricted) to be admitted to the official list. It is expected that such admission will become effective on or about May 1, 2019.

## **THE INTERNATIONAL STOCK EXCHANGE (“TISE”)**

This Prospectus includes particulars given in compliance with the Listing Rules of The International Stock Exchange Authority Limited for the purpose of giving information with regard to the issuer. The Directors, whose names appear on page iii, accept full responsibility for the information contained in this Prospectus and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

The Class A Shares (Unrestricted) were admitted to the Official List of the Channel Islands Securities Exchange Authority Limited, now trading as TISE (the “**Official List**”) on February 3, 2017.

An application has been made to the TISE for the Class A Shares (Restricted) to be admitted to the Official List. It is expected that such admission will become effective on or about May 1, 2019.

The TISE listing is the primary listing of the Class A Shares. For the purposes of TISE listing, this Prospectus and the Articles constitute the TISE listing document and should be read in conjunction by prospective investors.

Prospective investors’ attention is drawn to the section titled “Certain Risk Factors” of this Prospectus.

In respect of its role as a Listing Sponsor, Carey Olsen Corporate Finance Limited is acting exclusively for the Fund and for no one else in connection with the admission of Shares, will not regard any person as its client in relation to the admission of Shares and will not be responsible to anyone other than the Fund for providing the protections afforded to its customers or for providing advice in relation to the admission of Shares, the contents of this Prospectus or any matter referred to herein.

Neither the admission of the Shares to the Official List of TISE nor the approval of this Prospectus pursuant to the listing requirements of TISE shall constitute a warranty or representation by TISE as to the competence of the service providers to, or any other party connected with, the Fund, the adequacy or accuracy of information contained in this Prospectus or the suitability of the Fund for investment purposes or for any other purpose.

## **GUERNSEY DISCLOSURES**

The Fund is a registered open-ended collective investment scheme registered pursuant to the Protection of Investors (Bailiwick of Guernsey) Law, 1987, as amended and the Registered Collective Investment Schemes Rules 2018 issued by the Guernsey Financial Services Commission. The

Guernsey Financial Services Commission, in granting registration, has not reviewed this Prospectus but has relied upon specific declarations provided by SS&C Guernsey Limited, the Fund's designated administrator.

Neither the Guernsey Financial Services Commission nor the States of Guernsey take any responsibility for the financial soundness of the Fund or for the correctness of any of the statements made or opinions expressed with regard to it.

The Board of Directors has taken all reasonable care to ensure that the facts stated in this Prospectus are true and accurate in all material respects, and that there are no other facts the omission of which would make misleading any statement in the document, whether of facts or of opinion. All the Directors accept responsibility accordingly.

It should be remembered that the price of Fund interests and the income from them can go down as well as up.

If you are in any doubt about the contents of this Prospectus you should consult your accountant, legal or professional adviser or financial adviser.

#### **OTHER JURISDICTIONS**

The Prospectus may be prohibited from being directly or indirectly distributed or circulated in certain jurisdictions that deem the distribution or circulation of such information illegal. Prospective investors outside of the Cayman Islands and the Bailiwick of Guernsey should consult **Appendix B** hereto for a listing of restrictions in the specified jurisdictions. None of Schulte Roth & Zabel LLP, Schulte Roth & Zabel International LLP (together, "**SRZ**"), Cayman Counsel nor Guernsey Counsel prepared the information set forth in Appendix B (other than the information for prospective Shareholders in the United Kingdom and the United States which was prepared by SRZ). Neither SRZ, Cayman Counsel nor Guernsey Counsel has researched or verified the accuracy or completeness of the information. Neither the Investment Manager nor the Fund prepared, researched or verified the contents of such information.

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# QT FUND LTD

## PRINCIPAL TERMS

This summary only contains principal terms of the Fund and is qualified in its entirety by the more detailed information set forth in this Prospectus, any supplement to this Prospectus and the Amended and Restated Memorandum and Articles of Association of the Fund, as the same may be amended from time to time (the “**Articles**”) each of which is available upon request, and each Shareholder’s Subscription Agreement (collectively, the “**Fund Documents**”).

### **THE FUND:**

#### *The Fund*

QT Fund Ltd (the “**Fund**”) is a Cayman Islands exempted company incorporated on September 14, 2016 to operate as an open-ended mutual fund with no fixed duration.

### **INVESTMENT OBJECTIVE AND PROGRAM:**

The Fund’s investment objective is to deliver a consistent, low volatility, positive return stream with limited drawdowns.

The Investment Manager seeks to achieve this objective by developing and running a variety of quantitative, systematic trading and investment strategies. Specifically, the Investment Manager’s personnel formulate hypotheses about the drivers of asset returns and apply a rigorous scientific approach to design, develop, implement and manage strategies around these hypotheses.

*The investment program of the Fund is speculative and may entail substantial risks.*

### **MANAGEMENT:**

#### *The Investment Manager*

Credit Suisse Asset Management, LLC, a Delaware, United States, limited liability company.

#### *The Sub-Investment Managers*

Credit Suisse (Hong Kong) Limited, a limited company incorporated under the laws of Hong Kong SAR and an affiliate of the Investment Manager.

G10 Capital Limited (part of the Lawson Conner Group), a limited company incorporated under the laws of England and Wales as a regulatory host for certain employees of the Credit Suisse Group.

#### *The Board of Directors*

The members of the Board of Directors are George Bashforth, Sophia A. Dilbert and Damian Juric.

### **MANAGEMENT FEE:**

The Fund will pay to the Investment Manager a fee for management services (the “**Management Fee**”), accruing monthly and payable monthly in arrears as of the last day of each month, equal to (i)  $\frac{1}{12}$  of 0.75% per annum of the Net Asset Value of each designation of Class A Shares and (ii)  $\frac{1}{12}$  of 0.30% per annum of the Net Asset

Value of each designation of Class B Shares, in each case, as of the beginning of each calendar month (before taking into account the estimated accrued Incentive Fee, if any).

**INCENTIVE FEE:**

The Fund will pay to the Investment Manager an incentive fee (the “**Incentive Fee**”), generally payable on an annual basis following the end of each Calculation Period, calculated on a share-by-share basis so that the Incentive Fee is only charged on Shares which have appreciated in value. For each Class A Share, the Incentive Fee will be equal to 35% of the net realized and unrealized appreciation in the Net Asset Value per Share of the relevant designation of Class A Shares (before deduction of any accrued Incentive Fee) above the Reference Net Asset Value of that Share. Class B Shares will not be subject to an Incentive Fee.

**FUND EXPENSES:**

The Fund will bear its own expenses and certain expenses of the Investment Manager as more fully described herein.

**OFFERING OF SHARES:**

The Fund generally may offer Shares as of the first day of each calendar month or at such other times as the Board of Directors may determine in its discretion (each, a “**Subscription Date**”). The Fund is currently offering Class A Shares (Unrestricted), Class A Shares (Restricted) and Class B Shares denominated in US Dollars.

With effect from April 30, 2019, Class A Shares held by Rule 5130 Restricted Persons, Rule 5131 Restricted Persons or Shareholders that have elected to not participate in any profits and losses attributable to new issues have been redesignated as Class A Shares (Restricted) and will be Restricted Shares. Class A Shares not redesignated as Class A Shares (Restricted) have been renamed Class A Shares (Unrestricted) and will continue to be Unrestricted Shares. References in this Prospectus to Class A Shares are to Class A Shares (Unrestricted) and Class A Shares (Restricted), unless otherwise specifically stated. For the avoidance of doubt, all Class B Shares are Restricted Shares.

Class A Shares are being offered to Qualifying Investors. Class B Shares may only be subscribed for by the Investment Manager or an affiliate in connection with an employee incentive scheme, or by Investment Manager Related Investors. There will be no sales charges payable to the Investment Manager, its affiliates or the Fund in connection with the offering of Shares.

The aggregate proceeds of the offering of Class B Shares will not exceed 15% of the total offering.

The ISIN for the Class A Shares (Unrestricted) is KYG7306G1038.

The ISIN for the Class A Shares (Restricted) is KYG7306G1111.

As of March 31, 2019, the Fund has the following Shares issued:

Class A Shares – 5,934,554.94

Class B Shares – 120,417.79

*Minimum Subscription*

The minimum initial subscription amount for Class A Shares and Class B Shares is US\$25,000.

*Subscription Procedure*

Persons interested in subscribing for Shares will be furnished, and will be required to complete and return to the Administrator by facsimile or email, a Subscription Agreement and items relating thereto as outlined in the Subscription Agreement by no later than 17.00 hrs (Cayman Islands time) on at least 5 Business Days prior to the relevant Subscription Date.

**CS INVESTOR:**

Credit Suisse AG, Guernsey Branch (the “**CS Investor**”), an affiliate of the Investment Manager, holds Class A Shares.

Except for the Voting Shares, a description of which can be found under “Capital Structure of the Fund” below, no subscriptions have been accepted, allotments made or options given, or will be given, in respect of any other securities of the Fund including any that have a prior right over the Shares being offered hereunder.

**REDEMPTIONS:**

*Voluntary Redemptions*

Generally, each Shareholder will have the right (i) as of the last day of each calendar month, upon at least 90 days’ prior written notice to the Administrator by facsimile or email, to redeem any or all of its Shares; and (ii) as of the last day of each calendar month, upon 30 days’ prior written notice to the Administrator by facsimile or email, to redeem any or all of its Class A Shares subject to a fee equal to 2% of the Net Asset Value of the Shares redeemed (the “**Special Redemption Fee**”) retained by the Fund for the benefit of the continuing investors in the Fund; *provided, however*, that redemption proceeds from Class A Shares redeemed prior to the last day of the applicable Early Redemption Period will be subject to a fee equal to 5% of the Net Asset Value of the Shares redeemed (the “**Early Redemption Fee**”) retained by the Fund for the benefit of the continuing investors in the Fund.

A redemption of Class A Shares may incur either a Special Redemption Fee or Early Redemption Fee, but in no event will both be charged with respect to the redemption of the same Shares (i.e., Shares that are redeemed prior to the expiration of the applicable Early Redemption Period and are subject to an Early Redemption

Fee will not also be charged a Special Redemption Fee, even if redeemed on only 30 days' notice). The Board of Directors may reduce or waive the Early Redemption Fee or the Special Redemption Fee with respect to any Shareholder or designation but only to the extent that a simultaneous subscription to the Fund offsets the amount of the redemption that generates such fees.

The last day of each calendar month or each other date on which a redemption is permitted by the Board of Directors is referred to as a "**Redemption Date**".

An "**Early Redemption Period**" means, with respect to any subscription for or acquisition on a transfer of Shares (each such subscription or transfer are referred to herein as an "acquisition"), the period commencing on the date of acquisition of such Shares and ending on the last day of the twelfth full month following such acquisition.

The Fund will promptly notify all Shareholders upon the occurrence of any of the following events and circumstances: (a) the occurrence of a Key Person Event; (b) if the Investment Manager ceases to be authorized by the relevant regulatory authority to manage the Fund; (c) in the event that the Investment Manager and/or its employees (each in connection with the management of the Fund) or the Fund is attributed with a material violation, or failure to comply with, the AML/OFAC Obligations and any other applicable anti-bribery or anti-corruption law in the Cayman Islands, Guernsey or the United States; (d) the conviction, settlement or plea of guilty or no contest by the Investment Manager, any principal or officer of the Investment Manager or the Fund (each, a "**Relevant Person**") regarding any felony, securities law-related misdemeanor or any criminal misdemeanor involving theft, fraud or dishonesty related to the Fund; or (e) settlement with or final determination by any regulatory authority involving a material violation of a securities law or regulation on the part of any Relevant Person (each of (a)-(e), a "**Trigger Event**"). Upon the notification of a Trigger Event, each Shareholder will have the right to redeem any or all of its Shares as of the next available Redemption Date (i.e., the Redemption Date that falls at least 30 days but less than 60 days following such notification), on the standard terms set forth for redemptions herein, except that neither the Special Redemption Fee nor Early Redemption Fee will apply with respect to such redemption.

A "**Key Person Event**" means if Nicholas Branca ceases or could reasonably be expected to cease to be (i) involved on a full-time basis in the management of the Investment Manager, or (ii) directly responsible for the Fund's investments or the management of the Fund.

As Class B Shares will be held by an employee incentive scheme and redeemed under the terms of the scheme rather than pursuant to voluntary requests of beneficiaries, no Special Redemption Fee or Early Redemption Fee will apply with respect to any redemption of Class B Shares. Except with respect to the foregoing, any other investment by an Investment Manager Related Investor in the Fund will be subject to the same redemption terms as Class A Shares.

Payments of redemption proceeds will be in cash (by bank to bank wire transfer) and to an account in the name of the redeeming Shareholder. The Administrator will not remit any payment to a third party account.

#### *Limitations on Redemptions*

The Board of Directors may suspend the determination of the Net Asset Value of the Fund, a Class or a designation of Shares and/or the Net Asset Value of each Shareholder's Shares and/or redemption rights, in whole or in part, and/or the payment of redemption proceeds, in whole or in part, in respect of voluntary redemptions relating to any Class or designation of Shares or any Shareholder's Shares, in the circumstances described herein.

In addition, the Board of Directors and/or the Administrator, by written notice to any Shareholder, may suspend payment of redemption proceeds to any Shareholder if the Board of Directors and/or the Administrator reasonably deems it necessary to do so to comply with anti-money laundering laws and regulations applicable to the Fund, the Investment Manager, the Administrator or any of the Fund's other service providers.

#### *Compulsory Redemptions*

The Board of Directors may, in its sole discretion, compulsorily redeem all or a portion of any Shareholder's Shares at any time without prior notice, including for regulatory reasons. A Shareholder whose Shares are compulsorily redeemed will be treated for all purposes and in all respects as a Shareholder who has given notice to voluntarily redeem such Shares, except that such Shareholder will not be subject to the Special Redemption Fee or the Early Redemption Fee nor will any Early Redemption Period apply with respect to such redemption.

#### **DIVIDENDS:**

Dividends may be paid in the sole discretion of the Board of Directors. To the extent that a dividend may be declared, it will be paid in compliance with any applicable laws.

It is not anticipated that the Fund will pay dividends.

**FUND ADMINISTRATION:**

The Fund has retained SS&C Guernsey Limited to perform various administrative services.

**PRIME BROKERS AND CUSTODIANS:**

The Fund has appointed each of Barclays Capital Securities Limited, Barclays Capital Inc., Goldman Sachs & Co. LLC and Morgan Stanley and Co. LLC as a prime broker and custodian to the Fund and has appointed J.P. Morgan Securities plc as a clearing broker to the Fund (each, a “**Prime Broker**”).

The Fund has been granted a derogation from the requirements of The Registered Collective Investment Schemes Rules 2018 insofar as they require that a designated custodian domiciled in Guernsey be appointed to take into custody or under its control all the scheme property of the Fund and to hold all of that property on trust in accordance with this Prospectus.

The Prime Brokers are non-Guernsey domiciled prime brokers and as such are not subject to the custodian and supervisory rules set out in The Registered Collective Investment Schemes Rules 2018 and have no duty to take reasonable care to ensure that the scheme property of the Fund is managed in accordance with the provisions of this Prospectus. However, the Prime Brokers domiciled in the United Kingdom are subject to the custody requirements of the FCA’s client assets rules and the Prime Brokers domiciled in the United States are broker-dealers registered under the US Securities Exchange Act of 1934, as amended (the “**Exchange Act**”), subject to the Exchange Act’s customer securities-segregation and reserve requirements and members of the Securities Investor Protection Corporation and Financial Industry Regulatory Authority Inc, and the Board of Directors have oversight over the functions carried out by the Prime Brokers in respect of the Fund’s assets. The Investment Manager will also exercise the supervisory duties over the designated administrator under The Registered Collective Investment Schemes Rules 2018 and take all reasonable care to ensure that the scheme is administered by the designated administrator in accordance with this Prospectus.

For the purposes of The Registered Collective Investment Schemes Rules 2018, Morgan Stanley and Co. LLC has been named as the designated custodian albeit that the Guernsey Financial Services Commission has waived certain requirements of The Registered Collective Investment Schemes Rules 2018 with respect to such appointment to include that the designated custodian take into custody or under its control all the scheme property of the Fund and to hold all of that property on trust in accordance with the Prospectus and that it take reasonable care to ensure that the Fund is administered by the designated administrator in accordance with the Prospectus. Morgan Stanley and Co. LLC is not licensed or regulated by the Guernsey Financial Services Commission.

**INDEPENDENT AUDITORS:** KPMG has been retained as the independent auditors of the Fund to provide auditing and related services.

**VALUATION; REPORTS TO SHAREHOLDERS:** The Fund’s portfolio will be valued in accordance with the valuation principles, policy and procedures (as may be amended from time to time) in accordance with International Financial Reporting Standards (“**IFRS**”), established by the Investment Manager and adopted by Board of Directors (the “**Valuation Policy**”). Notwithstanding the foregoing, the Investment Manager may make adjustments to such values if it believes, in its sole discretion, that an alternative method of valuation would better reflect fair value.

The Fund will prepare its financial statements in accordance with IFRS with a reconciliation to US generally accepted accounting principles (“**GAAP**” and together with IFRS, “**Accounting Standards**”).

The Fund’s fiscal year ends on December 31 of each calendar year.

An annual report and audited financial statements of the Fund will be prepared and made available to Shareholders within 90 days of the end of the Fund’s fiscal year, or as soon as reasonably practicable thereafter, and quarterly statements will also be sent to Shareholders. The Fund will also provide periodic unaudited performance information, no less frequently than quarterly, to the Shareholders.

Shareholders will also receive an unaudited interim report covering the six month period to June 30, in each year (other than stub periods). A copy of the interim report will be sent to each Shareholder within three months of the half year end.

**CERTAIN RISK FACTORS:** There can be no assurance that the Fund will achieve its investment objective. Meeting that objective is a target but the existence of such an objective should not be considered as an assurance or guarantee that it can or will be met. The Fund depends on the Investment Manager to develop and implement appropriate systems for the Fund’s activities. The value of an investment in the Fund will fluctuate with changes in the values of the Fund’s investments.

Notwithstanding the admission to listing of the Class A Shares on the Official List of TISE and the official list of the Cayman Islands Stock Exchange, there is likely to be little or no secondary market for the sale and purchase of Class A Shares of the Fund.

**An investment in the Fund involves the following general risks:**

- Shareholders will bear the fees and expenses of the Fund.
- There are special tax risks associated with an investment in the

Fund. (See “Tax Aspects.”)

- The market price, if any, of Shares can fluctuate and may not always reflect the Net Asset Value per Share. There can be no guarantee that any appreciation in the Fund’s investments will occur and investors may not get back the full value of their investment. The Net Asset Value per Share and the market price, if any, of Shares, and the income from them, can go down as well as up. The investment returns on the Fund’s portfolio and the returns from an investment in Shares in the future may differ materially from historical returns and will depend, among other things, on the composition of the Fund’s portfolio.
- General economic conditions may affect the Fund’s performance and prospects. Changes in interest rates, rates of inflation, industry conditions, changes in tax and other laws and other factors may adversely affect the value and number of investments made by the Fund.

**In view of the risks noted above, as well as the risks described in “Certain Risk Factors” below, there can be no assurance that the Fund will achieve its investment objective. Thus, an investment in the Fund should be considered a speculative investment and investors should invest in the Fund only if they can sustain a complete loss of their investment. The potential benefits of investing in the Fund must be weighed against the risks involved.**

**No guarantee or representation is made that the investment program of the Fund will be successful, that the Investment Manager or the Sub-Investment Managers will produce positive returns or that the Fund will achieve its investment objective.**

## THE FUND

QT Fund Ltd (the “**Fund**”) is a Cayman Islands exempted company incorporated on September 14, 2016, with its registered office at PO Box 309, Uglan House, Grand Cayman KY1-1104, Cayman Islands and with registered number MC-315067 to operate as an open-ended mutual fund with no fixed duration. The Fund commenced operations on February 6, 2017.

References to the term “Fund” as used in this Prospectus in the context of the Fund’s portfolio, investment program and related risks should be understood to mean the Fund and any other vehicle through which the Fund makes investments or enters into transactions, including for tax, regulatory, operational and other similar reasons.

One or more “feeder funds” may be organized to invest in the Fund through a “master-feeder” structure. In such circumstances, such feeder fund may invest into a class or designation of the Fund which is not subject to a Management Fee and/or Incentive Fee, it being understood that underlying investors in such feeder fund would nonetheless be subject to management and/or incentive fees at the feeder fund level and would otherwise bear their *pro rata* share of Fund expenses. The consent of Shareholders to the admission of any such feeder fund will not be required unless the Board of Directors determines that such feeder fund’s investment will materially adversely affect the rights of Shareholders.

## INVESTMENTS BY CREDIT SUISSE GROUP

Credit Suisse AG, Guernsey Branch (the “**CS Investor**”), an affiliate of the Investment Manager, holds Class A Shares.

As an affiliate of the Investment Manager, the CS Investor will have access to information not otherwise available to Shareholders. Such information may influence the CS Investor’s investment decisions, including without limitation making additional subscriptions, redemptions or entering into transactions intended to hedge its exposure. Without limiting the generality of the foregoing, the CS Investor will have full transparency, on an end-of-trading-day, but not intra-day, basis over the Fund’s investment portfolio for risk management purposes only. The CS Investor may hedge its exposure to positions held by the Fund. Given the frequency with which trades are entered into on behalf of the Fund, it is not expected that any such hedging activity will have a material adverse impact on the Fund. (See “Other Activities of Management; Potential Conflicts of Interest—Simultaneous Management and Investment”)

Any additional transparency which may be afforded to the CS Investor by the Fund or the Investment Manager will be for risk management purposes only.

The CS Investor may have its Shares compulsorily redeemed, in whole or in part, in order to be in compliance with certain rules and regulations, including the Volcker Rule, as described under “Regulatory Considerations”.

## INVESTMENT OBJECTIVE AND PROGRAM

### **Investment Objective and Program**

The Fund’s investment objective is to deliver a consistent, low volatility, positive return stream with limited drawdowns.

The Investment Manager seeks to achieve this objective by developing and running a variety of quantitative, systematic trading and investment strategies. Specifically, the Investment Manager's personnel formulate hypotheses about the drivers of asset returns and apply a rigorous scientific approach to design, develop, implement and manage strategies around these hypotheses.

At a high level, the trading strategies can be classified as:

- Systematic Strategies – These capitalize on opportunities that are identified through quantitative analysis of a wide array of historical data. Portfolios are optimized to balance Sharpe Ratio, return, and trading costs. Trades are executed algorithmically.
- Market Liquidity Strategies – These react to real-time demand for securities by providing liquidity to offset such short-term demand. They use appropriate hedging instruments to offset risk and liquidate the combined risk exposures over a medium-term timeframe.

The Investment Manager seeks to invest the assets of the Fund with the aim of spreading investment risk.

While the Investment Manager's various strategies may be managed by specific personnel within the Investment Manager's organization from time to time, the Investment Manager will exercise overall management and control of all such strategies. The development of any trading strategy is reliant on the abilities of the Investment Manager's research personnel and on the technical resources made available to the personnel implementing the strategies. (See "Certain Risk Factors.")

*Hedging.* The Investment Manager may at any time employ active or passive hedges (of varying duration). Hedges can be utilised for a variety of reasons, including to reduce or offset the possible adverse effect of certain market events; to reduce or limit correlation to specific asset class, market or factor; or to reduce idiosyncratic risk. Hedges can be specific to one or more positions, one or more strategies, or to the portfolio as a whole.

There can be no assurance that the Fund's investment objective will be achieved, and certain investment practices can, in some circumstances, potentially increase any adverse impact on the Fund's investment portfolio. **The descriptions contained herein of specific strategies that are or may be used by the Fund represent the Investment Manager's current intentions and should not be understood as in any way limiting the Fund's investment activities. Depending on conditions and trends in industry, securities and other trading markets and the economy generally, the Fund may engage in any investment strategies, philosophies or techniques that are not described herein but that the Investment Manager considers appropriate for the Fund.**

Prospective investors are urged to consult with their own financial, legal and tax advisors regarding their individual circumstances and the suitability of an investment in the Fund.

### *Instrument Universe*

The Investment Manager may cause the assets of the Fund to be invested, directly or indirectly, on margin or otherwise, in interests commonly referred to as securities, other financial instruments and other assets, including, without limitation, capital stock; shares of beneficial interest; partnership interests and similar financial instruments; bonds, notes and debentures (whether subordinated, convertible or otherwise); currencies; commodities; physical and intangible assets; interest rate,

currency, commodity, equity, indices and other derivative products, including (i) futures contracts (and options thereon) relating to stock indices, currencies, government securities, other financial instruments and all other commodities, (ii) swaps, options, warrants, caps, collars, floors and forward rate agreements, (iii) spot and forward currency transactions and (iv) agreements relating to or securing such transactions; loans; accounts and notes receivable and payable held by trade or other creditors; trade acceptances; contract and other claims; executory contracts; participations; mutual funds, exchange traded funds and similar financial instruments; money market funds; obligations of any government, or any country, state, governmental agency or political subdivision thereof; commercial paper; certificates of deposit; bankers' acceptances; choses in action; trust receipts; and any other obligations and instruments or evidences of indebtedness of whatever kind or nature that exist now or are hereafter created (all such items, with respect to the Fund's investments, being called herein "financial instruments"); in each case, of any person, whether or not publicly traded or readily marketable. Notwithstanding the foregoing, any investments by the Fund in investment funds or co-mingled vehicles shall generally be in ETFs or other funds for cash management purposes only.

### **Investment Restrictions**

The following investment restrictions will apply to the Fund:

- A. the Fund will not invest in more than 5% of an issuer's securities; and
- B. the Fund will not invest in the securities of issuers domiciled in a country or territory which is listed on the Investment Manager's sanctions list, as amended from time to time.

The above investment restrictions apply at the time of purchase of the investments.

In the event the Fund breaches one of the above investment limits, the Investment Manager will take commercially reasonable steps to correct such breach and will not take any further actions to exacerbate such breach. For the avoidance of doubt, the Investment Manager will not be required to take immediate corrective measures to the extent that it determines, in its sole discretion, that such action would not be in the best interests of the Fund.

### **Risk Management**

Risk management is closely integrated into the investment process and is managed on a continual basis. The definition of "risk" can vary dramatically from strategy to strategy and is generally measured by the Investment Manager with quantitative techniques, models based on proprietary techniques, academic research, and other tools deemed appropriate by the Investment Manager. Risks may relate to, without limitation, (i) trading-related issues, (ii) technological issues, (iii) legal/regulatory issues, (iv) funding liquidity, (v) credit risk and (vi) personnel-driven issues.

The Investment Manager will maintain a risk management process that seeks to identify, measure, and manage all relevant risks to which the Fund is or to which the Fund would reasonably be expected to be exposed, which process will be supported by an independent global risk management team composed of members of the Investment Manager, the Sub-Investment Managers or an affiliate thereof. The Investment Manager's risk management policy will include such procedures as are necessary to enable the Investment Manager to assess the Fund's exposure to market, liquidity, counterparty and operational risks as well as all other relevant material risks.

Risk management will also entail the coordinated application of resources to minimise, monitor, and control the probability and/or impact of adverse events or to maximise the realization of opportunities. Risks can come from uncertainty in financial markets, political developments on a global basis,

threats from project failures (at any phase in design, development, production, or sustainment life-cycles), legal liabilities, credit risk, accidents, natural disasters as well as deliberate attack from an adversary, or events of uncertain or unpredictable origin.

## **Leverage**

### *Leverage for Investment Purposes*

The Fund has the authority to borrow, trade on margin, utilise derivatives and otherwise obtain leverage from brokers, banks and others on a secured or unsecured basis. The Fund may utilise leverage to the extent deemed appropriate by the Investment Manager, and the amount of leverage utilised by the Fund may be significant. The overall leverage of the Fund will depend on the investment strategies employed by the Fund and specific market opportunities.

The maximum level of leverage that may be employed in connection with the Fund's investment program calculated in accordance with the AIFM Directive's gross method and commitment method is 2500 per cent and 1500 per cent, respectively, of the Fund's Net Asset Value.

“**AIFM Directive**” means Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No 1060/2009 and (EU) No 1095/2010.

While leverage presents opportunities for increasing the total return on investments, it has the effect of potentially increasing losses as well. Accordingly, any event which adversely affects the value of an investment could be magnified to the extent leverage is utilised and may result in a substantial loss to the Fund.

As at the date hereof the Fund has not incurred any borrowings or indebtedness and has not granted any mortgages, charges or security over or in relation to any of its assets other than in the ordinary course of its business.

## **Investment Vehicles**

The Fund may effect one or more of the foregoing strategies either directly by purchasing assets or indirectly, for tax, regulatory or other reasons, by investing through one or more trading or investment entities.

## **Changes in the Investment Program**

The Board of Directors may authorize variations in the above investment program including, without limitation, any investment strategy or investment policy. In the event that the Board of Directors considers that any such variations might reasonably in the aggregate be considered material, such variations will not be implemented without the approval of two-thirds by value of the holdings of Unaffiliated Investors in the Fund and any other feeder fund to the Fund or, in the alternative, until after the expiry of not less than 90 days of notice being provided to investors. These provisions will not apply to any changes required by changes in applicable law or regulations which may be implemented by the Board of Directors as it determines. “**Unaffiliated Investors**” are investors other than Investment Manager Related Investors. “**Investment Manager Related Investors**” are the CS Investor, the Investment Manager, and the Investment Manager's affiliates and any of its or their directors, officers, employees, members of the immediate families thereof or trusts or other entities established by any of them or for the benefit of any of them. For these purposes, any fund or other investment entity in respect of which the Investment Manager or any of its affiliates serves as general partner, investment manager or in a similar capacity shall be treated as an Unaffiliated Investor, unless the Investment Manager or any of its affiliates makes investment decisions and/or controls such

entity's right to vote its interest pursuant to the procedure set forth above. For the avoidance of doubt, notwithstanding the foregoing, the Board of Directors will not be responsible for monitoring compliance by the Fund or the Investment Manager with the investment program other than periodic oversight consistent with the obligations of a non-executive Director.

The investment program of the Fund is speculative and may entail substantial risks. Market risks are inherent in all securities investments to varying degrees. There can be no assurance that the investment objective of the Fund will be achieved. In fact, certain investment practices described above can, in some circumstances, potentially increase the adverse impact on the Fund's investment portfolio.

## THE INVESTMENT MANAGER AND SUB-INVESTMENT MANAGERS

Credit Suisse Asset Management, LLC (the “**Investment Manager**”), a Delaware, United States, limited liability company, serves as the investment manager of the Fund. A description of the material terms of the investment management agreement between the Fund and the Investment Manager is set forth in “General—Material Contracts” below.

Pursuant to a sub-investment management agreement, the Investment Manager has appointed Credit Suisse (Hong Kong) Limited, a limited company incorporated under the laws of Hong Kong SAR (“**CS HK**”). CS HK is an affiliate of the Investment Manager and will manage the investment of a portion of the Fund’s assets subject always to the supervision, oversight and control of the Investment Manager.

Prior to October 1, 2017, Credit Suisse Quantitative and Systematic Asset Management Ltd. (“**QSAM**”), acted as a sub-investment manager to the Investment Manager. QSAM is no longer a part of the Credit Suisse Group and certain personnel previously employed by QSAM have transferred to Credit Suisse Asset Management (UK) Holding Limited, a limited company incorporated under the laws of England and Wales (“**CSAMH**”), an affiliate of the Investment Manager.

Pursuant to a sub-investment management agreement, the Investment Manager has also appointed G10 Capital Limited (part of the Lawson Conner Group), a limited company incorporated under the laws of England and Wales (“**G10 Capital**”, and together with CS HK, the “**Sub-Investment Managers**”). Some of the personnel transferred to CSAMH have been seconded to G10 Capital where they will be responsible for day-to-day portfolio management of that portion of the Fund’s portfolio delegated to G10 Capital by the Investment Manager. Any references in this Prospectus to “G10 Capital” or the “Sub-Investment Managers” (in the context of the portfolio management taking place in the United Kingdom) are to those employees of CSAMH that are seconded to G10 Capital. Any delegation to G10 Capital from the Investment Manager is subject always to the supervision, oversight and control of CSAMH and the Investment Manager.

In addition, CSAMH provides research services to the Investment Manager and CS HK.

The Investment Manager is an indirect, wholly-owned subsidiary of Credit Suisse Group AG (“**CSAG**”), a leading global financial services company headquartered in Zurich, Switzerland. CSAG’s registered shares (CSGN) are listed in Switzerland and, in the form of American Depositary Shares (CS), in New York. CSAG’s primary subsidiary is Credit Suisse (“**CS**”), a Swiss bank founded in 1856. As an integrated bank, CS offers clients its combined expertise in the areas of private banking, investment banking and asset management. CS provides advisory services, comprehensive solutions and innovative products to companies, institutional clients and high-net-worth private clients globally, as well as to retail clients in Switzerland. CS is headquartered in Zurich and operates in over 50 countries worldwide. The group employs approximately 46,840 people and had total client assets of approximately CHF 1.4 trillion<sup>1</sup> as of December 31, 2017.

The Investment Manager is registered with the US Securities and Exchange Commission (the “**SEC**”) as an investment adviser under the US Investment Advisers Act of 1940, as amended (the “**Advisers**”).

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<sup>1</sup> Client assets is a broader measure than assets under management as it includes transactional accounts and assets under custody (assets held solely for transaction-related or safekeeping/custody purposes) and assets of corporate clients and public institutions used primarily for cash management or transaction-related purposes.

Act”). Additional information about the Investment Manager is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Registration with the SEC or with any state securities authority does not imply a certain level of skill or training. The Investment Manager is registered with the CFTC as a commodity pool operator and commodity trading advisor and is a member of the National Futures Association. The Investment Manager has claimed exemptions with respect to the Fund from certain of the CFTC’s disclosure, reporting and record-keeping requirements applicable to registered CPOs pursuant to Rule 4.7 under the US Commodity Exchange Act, as amended.

### **Management Committee of the Investment Manager**

#### *Sean Flynn*

Sean Flynn is a Managing Director of Credit Suisse in the Asset Management business of the International Wealth Management division, based in New York. He is responsible for Asset Management Business Development. Prior to his current role, Mr. Flynn was global head of Investment Bank Strategy and Ventures, providing similar strategy support to the Investment Bank’s businesses, including adapting the Investment Banking franchise to the changing industry landscape, optimizing individual business performance, and evaluating strategic M&A and investments. During his time in the Investment Bank Division, Mr. Flynn also served in 2011 as Chief Operating Officer for Equity Capital Markets, working with the new Global Head to establish a global business operating model. Mr. Flynn joined Credit Suisse First Boston in June 2004 from Deutsche Bank, where he worked in bank strategy. Mr. Flynn began his career as a Financial Economist at the US Treasury Department in Washington, DC, working on federal debt financing policy and financial markets initiatives. He also worked on counterfeit deterrence and the first redesign of US currency in more than 60 years.

Mr. Flynn holds a Ph.D. in Economics from the University of Notre Dame and undergraduate degrees in Economics and Business Administration from Benedictine College. He is Chairman of the Board of Trustees of the Montclair Community Pre-K in Montclair, NJ, a non-profit public/private partnership dedicated to providing high-quality education to all young children in the community regardless of financial means.

#### *Emidio Morizio*

Emidio Morizio, Managing Director, is the Global Head of Compliance for the Asset Management business of Credit Suisse. He is also the Chief Compliance Officer for the Investment Manager. Mr. Morizio joined the organization in 2000 and served in various compliance roles in New York and headed the compliance function in the Americas before assuming global responsibilities in 2004. Prior to joining Credit Suisse, he was Vice President and Director of Compliance for Forstmann-Leff Associates. Previously, he was Chief Operating Officer and Head of Compliance at TeleBanc Capital Markets.

Mr. Morizio holds a B.B.A. in banking and finance from Hofstra University and an M.B.A. in finance from Fordham University.

#### *Peter Norley*

Peter Norley, Managing Director, is the Global Chief Operating Officer for the Asset Management business of Credit Suisse. Prior to his current role, Mr. Norley was Global Chief Operating Officer of Equities and the Systematic Market-Making Group within the Investment Banking division, based in

New York. Mr. Norley joined Credit Suisse First Boston in August 1997 and has since filled various business and support roles in the London and New York offices.

Mr. Norley holds a degree in Business and Finance from the University of Southampton and is a member of the Chartered Association of Certified Accountants in London.

*Michael James Rongetti*

Michael J. Rongetti is a Managing Director of Credit Suisse in the International Wealth Management division, based in New York. He is the CFO of Asset Management and a member of the management committee.

Prior to his current role, Mr. Rongetti was CFO of Private Banking & Wealth Management Products and Americas. Additionally, Mr. Rongetti has served as the CFO of Alternative Investments within Asset Management.

Mr. Rongetti joined Credit Suisse in November 2000 following its merger with Donaldson, Lufkin & Jenrette, which he joined in 1998, and where he was an Assistant Vice President in the Finance, Accounting and Reporting Group within the Private Equity Division. Prior to that, Mr. Rongetti worked at UBS for five years.

Mr. Rongetti holds a Bachelor of Business Administration degree from Pace University.

*Eric Morris Varvel*

Eric Varvel is a Managing Director of Credit Suisse in the International Wealth Management division, based in New York. He is Global Head of Asset Management. Mr. Varvel also serves as President and CEO of Credit Suisse Holdings (USA), Inc.

Prior to assuming his current role, Mr. Varvel was Chairman of the Emerging Markets and Sovereign Wealth Funds. From February 2008 to October 2014 Mr. Varvel served as a member of the Executive Board. From 2012 until 2014, he led the Investment Banking division together with Gaël de Boissard. In this capacity, Mr. Varvel was responsible for the Equities & Investment Banking business. He was also CEO Asia Pacific.

From 2010 until 2012, Mr. Varvel was the CEO of Investment Banking and served as acting CEO from September 2009 until July 2010. From 2008 until 2010, he was CEO Europe, Middle East and Africa.

Prior to his appointment to the Executive Board, Mr. Varvel was the Co-Head of the Global Investment Banking department and the Head of the Global Markets Solutions Group in the Investment Banking division of Credit Suisse for over three years, based in New York. Before that, Mr. Varvel spent 15 years in the Asia Pacific region in a variety of senior roles, including the Head of Investment Banking and Emerging Markets Coverage for the Asia Pacific region ex-Japan and the Head of Fixed Income Sales and Corporate Derivative Sales. During that time, Mr. Varvel was based in Tokyo, Jakarta and Singapore.

Mr. Varvel joined Credit Suisse in 1990. Previously, he worked as an analyst for Morgan Stanley in its investment banking department in New York and Tokyo.

Mr. Varvel holds a BA in Business Finance from Brigham Young University in Provo, Utah. Since 2010, he has been a member of the Board of Directors of the Qatar Exchange.

## **Key Investment Management Personnel**

### *Nicholas Branca*

Mr. Branca is Chief Investment Officer and Co-Head of Systematic Strategies of the QT Fund Ltd, and the Global Head of Quantitative Trading. Mr. Branca was previously Global Co-Head of the Systematic Market-Making Group until the group's transition from the investment bank into asset management in late 2016. Mr. Branca joined Credit Suisse on the Index Arbitrage desk at Credit Suisse First Boston in February 1997. Prior to that, he traded options at Morgan Stanley and worked on the Equity Block Trading Desk at PaineWebber. Mr. Branca began his career on Wall Street as an M&A analyst at Salomon Brothers. Mr. Branca holds a degree in Computer Science from Harvard College and an M.B.A. from Harvard University.

### *James Ooi*

Mr. Ooi is Head of Research and Co-Head of Systematic Strategies of the QT Fund Ltd. He joined the Index Arbitrage group of Credit Suisse in July 1998, became Co-Head of the Quantitative Trading group in 2003 and Head of Research for the Quantitative Trading group in 2007. As Head of Research, he oversees strategy development for the fund. Mr. Ooi holds a doctorate in Electrical Engineering from MIT.

### *James Wu*

Mr. Wu is Head of Market Liquidity Strategies of the QT Fund Ltd. He was previously responsible for managing opportunistic trading and overseeing the risk books for Quantitative Trading within the Systematic Market-Making Group until the group's transition from the investment bank into asset management in late 2016. Mr. Wu joined Credit Suisse First Boston in July 1994 as a Technical Associate in support of Equities. In 1996, he joined the Index Arbitrage desk, became Head of US Index Arbitrage Trading in 1998 and joined the Quantitative Trading Group in 2003. Prior to CS, Mr. Wu was an engineer at Lockheed Martin.

## **Proxy Voting Policy**

In compliance with Rule 206(4)-6 under the Advisers Act, the Investment Manager has adopted proxy voting policies and procedures. The general policy is not to vote proxy proposals, amendments, consents or resolutions (collectively, "**Proxies**"). The Investment Manager has a quantitative investment strategy and the Investment Manager has determined that the costs of voting Proxies while employing such a strategy would outweigh any potential benefits to the Fund.

## THE BOARD OF DIRECTORS

The board of directors of the Fund (the “**Board of Directors**”) has ultimate responsibility for the management, operations and the investment decisions made on behalf of the Fund, but has delegated investment discretion over the Fund’s assets to the Investment Manager pursuant to the terms of the Investment Management Agreement. George Bashforth, Sophia A. Dilbert and Damian Juric serve as the directors of the Fund (each, a “**Director**”). Descriptions of the material terms of the director services agreements between the Fund and each Director are set forth in “General—Material Contracts” below. The Board of Directors anticipates holding meetings at least four times a year to review and assess the investment policies and performance of the Fund and generally to supervise the conduct of its affairs. The Fund shall at all times have (i) three Directors any two of which shall constitute a majority of the Board of Directors as well as the quorum for meetings of the Board of Directors; and (ii) at least two Directors that are not affiliated with the Investment Manager or either of its Principals or affiliates, including any alternative director appointed by a Director (each, an “**Independent Director**”).

The Fund has agreed to indemnify each Director and officer of the Fund and entities connected with each such person out of the assets of the Fund against any liability, action, proceeding, claim, demand, costs, damages or expenses, including legal expenses, whatsoever which they or any of them may incur as a result of any act or failure to act in carrying out their functions other than such liability (if any) that they may incur by reason of their own bad faith, gross negligence, willful misconduct or actual fraud (as found by a court of competent jurisdiction). The Fund has also agreed that no Director or officer of the Fund will be liable to the Fund for any loss or damage incurred by the Fund as a result (whether direct or indirect) of the carrying out of their functions unless that liability arises through the bad faith, gross negligence, willful misconduct or actual fraud of such person (as found by a court of competent jurisdiction).

The business address for each director is the registered office of the Fund.

Set forth below is the biographical information of the members of the Board of Directors:

### **George Bashforth**

Mr. Bashforth is a Director of Crestbridge and a member of the executive management team of the Cayman Islands office. Mr. Bashforth works on a wide range of investment fund products, including multi-manager funds, hedge funds and private equity funds. Mr. Bashforth is also responsible for the strategic direction of the Cayman Islands office of Crestbridge, and provides oversight to a team of professionals engaged in the provision of fiduciary and corporate services.

Previously, Mr. Bashforth was Head of Directorship Services at Appleby Trust (Cayman) Limited where he oversaw governance and administration services to a wide range of alternative investment vehicles, including CLOs, asset/project finance SPVs, hedge funds, and private equity funds.

Prior to that, Mr. Bashforth worked at Maples Fiduciary Services, where he was a Senior Vice President in their Funds Fiduciary Division, providing fiduciary services to a wide range of hedge and private equity funds. Before that, he worked at Goldman Sachs International in London, where he worked in the Cash Management team, funding the firm’s short term liquidity requirements throughout Europe, the Middle East and Asia.

Mr. Bashforth graduated with an MBA in Finance from CASS Business School in 2005 and received his undergraduate degree in Economics from the University of the West of England in 1996. He is a

member of the Cayman Islands Directors Association. He also holds the Accredited Director designation from Chartered Secretaries Canada and is a Certified Hedge Fund Professional.

### **Sophia A. Dilbert**

Ms. Dilbert is a Vice President of Maples Fiduciary Services, a division of the MaplesFS Group with offices in the Cayman Islands, Delaware, Dubai, Dublin, Hong Kong, Luxembourg, Montreal and New York, where she is actively involved with a wide range of investment fund products, including multi-manager funds, hedge funds, private equity funds, unit trust structures and segregated portfolio companies. Ms. Dilbert is a graduate of The University of Liverpool, having obtained a Degree of Bachelor of Laws with Honours in 1995. She was called as a barrister in England and Wales in 1996 and thereafter admitted as an Attorney-at-Law in the Cayman Islands. Ms. Dilbert worked with Maples and Calder as an Associate Attorney from 1996 to 2004 specializing in capital markets and investment funds. Her area of practice also included general corporate and commercial law, real estate, immigration and employment matters. From 2004 to 2007, she worked as a Senior Associate with Stuarts Walker Hersant in their corporate and investments funds practice before becoming the Global Head of Legal at Admiral Administration Ltd. from 2007 to 2011. Ms. Dilbert is a member of the Caymanian Bar Association, the Cayman Islands Law Society, the Cayman Islands Directors Association and is a member of the Council of the Cayman Islands Stock Exchange.

### **Damian Juric**

Mr. Juric is a Director of A.R.C. Directors Ltd, a Cayman Islands-domiciled company specializing in the provision of independent directorships to the alternative investment funds industry. He has over twelve years of experience in advising sponsors, fund managers, directors and investors on the structuring, formation and regulation of onshore and offshore investment funds, including hedge funds, private equity funds and venture capital funds. His previous positions include Senior Associate at Campbells Attorneys at Law (Cayman Islands), Associate at Kaye Scholer LLP (London) and Associate at Linklaters LLP (Amsterdam) and Baker & McKenzie N.V. (Amsterdam), where he specialised in the areas of investment funds and general corporate law. Mr. Juric holds a Bachelor of Business Science (B Bus Sc), a Bachelor of Laws (LLB) and a Master of Laws (LLM)(Commercial Law) from the University of Cape Town, South Africa, and a Master of Laws (LLM) from Cornell University (USA). Mr. Juric is admitted to practice law in the State of New York (2004) (currently non-practising ) and South Africa (2000) (currently non-practising ), is a member of the New York State Bar Association (NYSBA) and also previously practised as a Cayman Islands attorney.

### **Directors' Interests**

As at December 31, 2018 (being the latest practicable date prior to the publication of this Prospectus), none of the Directors held any Shares in the Fund or had any options over any Shares.

## MANAGEMENT FEE

The Fund will pay to the Investment Manager a fee for management services (the “**Management Fee**”), accruing monthly and payable monthly in arrears as of the last day of each month, equal to (i)  $\frac{1}{12}$  of 0.75% per annum of the Net Asset Value of each designation of Class A Shares and (ii)  $\frac{1}{12}$  of 0.30% per annum of the Net Asset Value of each designation of Class B Shares, in each case, as of the beginning of each calendar month (before taking into account the estimated accrued Incentive Fee, if any).

Payment of the Management Fee will be made within 10 days of the last day of each month.

In consideration for the Management Fee, the Investment Manager will bear certain of its overhead costs and expenses and expenses of the Credit Suisse Group that are allocated to the Investment Manager based upon an internal labor allocation (but not including any expenses described under “Fund Expenses; Other Fees–Investment Manager Overhead Expenses” and “Fund Expenses; Other Fees–Investment Manager Allocated Expenses”), including, without limitation, expenses in connection with management activities (including risk management), monitoring investment guidelines, operation and oversight of Fund activities, Fund accounting, tax reporting, alternative investment product development, legal and compliance department services, human resource management and regulatory reporting expenses of the Investment Manager. The foregoing costs and expenses related to personnel will not include employees of the Investment Manager or any employee of the Credit Suisse Group that devotes all of his or her time to the Fund or other products managed by the Investment Manager.

In the sole discretion of the Investment Manager all or any portion of the Management Fee may be waived or reduced with respect to, or rebated to, certain Shareholders, including, without limitation, any Shareholders that are Investment Manager Related Investors. Any such rebate may be used to subscribe for additional Shares on behalf of the relevant Shareholder or, in the sole discretion of the Investment Manager, paid in cash. To facilitate any such waiver, reduction or different calculation, the Fund may issue Shares of a separate class.

The Investment Manager may, in its sole discretion, pay a portion of the Management Fee to intermediaries, placement agents or other third parties. The Investment Manager is responsible for the fees of the Sub-Investment Managers and CSAMH.

## INCENTIVE FEE

### Incentive Fee

The Fund will pay to the Investment Manager an incentive fee (the “**Incentive Fee**”), generally payable on an annual basis following the end of each Calculation Period, calculated on a share-by-share basis so that the Incentive Fee is only charged on Shares which have appreciated in value. For each Class A Share, the Incentive Fee will be equal to 35% of the net realized and unrealized appreciation in the Net Asset Value per Share of the relevant designation of Class A Shares (before deduction of any accrued Incentive Fee) above the Reference Net Asset Value of that Share. Class B Shares will not be subject to an Incentive Fee.

The initial “**Calculation Period**” in respect of a Share will commence upon the issuance of such Share and end on the Valuation Day immediately preceding the end of the calendar year in which such Share is issued. Thereafter each Calculation Period for a of Share will begin immediately following the end of the preceding Calculation Period and will end on the Valuation Day immediately preceding the end of each calendar year.

“**Valuation Day**” means the last day of each calendar month and such other day or days as the Board of Directors may from time to time determine.

The “**Reference Net Asset Value**” of a Share is the greater of (i) the Net Asset Value per Share of the relevant designation (prior to the accrual of any Incentive Fee) at the time of issue or acquisition of that Share, reduced by any Investor Related Taxes accrued or paid with respect to such Shares of the relevant designation subsequent to such date and (ii) the highest Net Asset Value per Share of the relevant designation (after deduction of the Management Fee and the Incentive Fee) at the end of a Calculation Period (other than the current Calculation Period) subsequent to the issue of that Share, reduced by any Investor Related Taxes accrued or paid with respect to such Shares of the relevant designation subsequent to any such date. For the avoidance of doubt, the Reference Net Asset Value will operate in a manner designed to track the cumulative losses since issuance of that designation of Shares that must be recouped before an Incentive Fee can be made with respect to such designation of Shares (i.e., it tracks the lifetime “high water mark” of such Shares).

“**Investor Related Taxes**” means taxes withheld, directly or indirectly, from the Fund or paid over by the Fund that is determined based on the status, action or inaction (including the failure of a Shareholder to provide information to avoid or reduce withholding or other taxes) of a Shareholder.

### General

The Incentive Fee is calculated in respect of each Calculation Period and is accrued on a monthly basis as of the last day of each month. The Incentive Fee will be calculated by reference to the Net Asset Value before deduction for any accrued Incentive Fee.

The Incentive Fee will be determined separately with respect to each Share and Shares issued or acquired on different dates may have a different Reference Net Asset Value. Accordingly, it is possible that an Incentive Fee may be paid with respect to one Share even though another Share held by the same Shareholder has not appreciated, or has depreciated in value during the same period.

If Shares are redeemed other than at the end of a Calculation Period (including in connection with a compulsory redemption), an Incentive Fee will be paid in respect of such Shares as of the Redemption Date as set forth above. In the event of a distribution in respect of Shares (including payment of a dividend), adjustments will be made to the Reference Net Asset Value and the amount distributed will be brought into account in determining the Incentive Fee for the relevant Calculation Period. Subject

to certain circumstances set out therein, if the Investment Management Agreement is terminated at any time other than at the end of a Calculation Period of the Fund, an Incentive Fee generally will be paid at the date of termination.

In the sole discretion of the Board of Directors, subject to the consent of the Investment Manager, the Incentive Fee may be waived, rebated, reduced or calculated differently with respect to certain Shareholders, including Investment Manager Related Investors. Any such rebate may be used to subscribe for additional Shares on behalf of the relevant Shareholder or, in the sole discretion of the Investment Manager, paid in cash.

The Incentive Fee may be shared with intermediaries, placement agents or other third parties. The Investment Manager is responsible for the fees of the Sub-Investment Managers (including for these purposes, any fees to G10 Capital in its capacity as a regulatory host).

## **FUND EXPENSES; OTHER FEES**

### **Fund Expenses**

The Fund will bear its own expenses and each investment vehicle's expenses, including, without limitation, the Management Fee, the Incentive Fee, and the following expenses:

#### *Organizational Expenses; General Fund Administration and Operation*

Organizational and ongoing expenses of the Fund including: organizational expenses; expenses incurred in connection with the offering and sale of the Shares and other similar expenses related to the Fund; marketing expenses (excluding, for the avoidance of doubt, sales team travel and client events); directors' fees and expenses related to the organization and conduct of directors' and shareholders' meetings (including, without limitation, travel, lodging and meal expenses, and director registration fees); costs of printing and mailing reports and notices; premiums for liability insurance covering the directors; third-party administrative fees and expenses for middle- and back-office administration, including any "shadow" administrator; third-party legal expenses; third-party accounting and valuation expenses (including, without limitation, the cost of accounting software packages); third-party audit and tax preparation expenses; annual fees for regulatory filings in Guernsey, the Cayman Islands and any other relevant jurisdiction and any listing fees and charges; entity-level taxes; regulatory expenses (including, without limitation, filing fees); registered office expenses; indemnification expenses; and extraordinary expenses.

#### *Investment-Related Expenses; Market Data and Other Technology Related Expenses*

Investment expenses, whether or not such investments are consummated (such as brokerage commissions, expenses relating to short sales, clearing and settlement charges, custodial fees, bank service fees and interest expenses); investment-related travel expenses incurred by the Investment Manager related to the purchase, sale of, or due of, the Fund's investments, whether or not such investments are consummated; fees and expenses relating to information technology hardware, software or other technology used to facilitate and manage the order execution of securities (e.g., order management systems) or otherwise manage the Fund (including, without limitation, third-party software licensing, implementation, data management and recovery services and custom development costs, communications equipment and services, information systems, Bloomberg or similar terminals, quotation services); research and market data (including, without limitation, any fees and expenses in connection with the sourcing of such research and market data from providers and any computer hardware and connectivity hardware incorporated into the cost of obtaining such research and market data); and third-party professional fees (including, without limitation, expenses of consultants, investment bankers, attorneys, accountants and other experts) relating to investments of the Fund. Where research and market data comprises trade signals, including algorithms which generate trade signals, the provider of such research or market data may be compensated based on the profits attributable to such trade signals or algorithms. Such compensation will be payable irrespective of the performance of the Fund as a whole.

#### *Investment Manager Overhead Expenses*

The Investment Manager's, Sub-Investment Managers' and CSAMH's direct expenses and expenses of the Credit Suisse Group that are directly related to the operations of the Investment Manager, Sub-Investment Managers and CSAMH as they relate to the management of the Fund, including, without limitation, rent, utilities, supplies, secretarial expenses, stationery, charges for furniture, fixtures and equipment, employee benefits including, without limitation, insurance, payroll taxes and compensation of personnel (excluding performance bonuses but including payroll taxes payable on

performance bonuses, sign-on awards and relocation costs); employee training expenses (including investment related seminars and licensing training); legal and other advisory and consulting expenses; recruitment expenses (including fees and expenses of recruitment consultants and agencies); premiums for liability insurance covering the Investment Manager, Sub-Investment Managers and CSAMH and their respective directors, shareholders, officers, employees and agents; cost and expenses related to exchange memberships; communications and information technology machinery, equipment and services; and information systems.

#### *Investment Manager Allocated Expenses*

Expenses of the Credit Suisse Group that are allocated to the Investment Manager based upon an internal labor allocation survey that are related to the use of information technology (including IT personnel) by the Investment Manager on behalf of the Fund, including, but not limited to, costs related to software and information technology development, hardware, server costs and personnel expenses (including related overhead) of any employee of the Credit Suisse Group that devotes all or substantially all of his or her time to the Fund or other products managed by the Investment Manager. The foregoing costs and expenses related to personnel will include all employees of the Investment Manager and any employee of the Credit Suisse Group that devotes all of his or her time to the Fund or other products managed by the Investment Manager.

#### *Administrator's fees*

The fees paid to the Administrator will be up to 2 basis points of Net Asset Value, subject to a minimum of US\$8,400 per month or such other amount as may be agreed between the Fund and the Administrator from time to time in accordance with the Services Agreement. The Administrator will also be reimbursed by the Fund for reasonable out-of-pocket expenses. The Administrator may also be paid ad hoc fees for additional services provided to the Fund at such fees as may be agreed between the Fund and the Administrator from time to time, for example with respect to investor services, manual transactions and regulatory reporting.

An affiliate of the Administrator will be paid a fee for providing certain middle- and back-office services and technology to the Fund of up to 8 basis points of Net Asset Value, subject to a minimum of US\$33,600 per month or such other amount as may be agreed from time to time.

These fees shall accrue and be calculated as at the last Business Day of each month and be paid monthly in arrears.

#### *Prime Broker fees*

The Prime Brokers each receive fees as may be agreed from time to time on normal commercial terms and rates. Such fees may include, without limitation, (i) commissions on transactions which it executes; (ii) settlement charges; (iii) securities borrowing fees, and (iv) interest on debit balances. The Prime Brokers do not currently receive a separate fee for custodial services.

#### *Director fees*

Save for annual directors' fees of US\$12,500 per annum (payable annually in advance) and the reimbursement of travelling and reasonable out-of-pocket expenses, none of the Directors are entitled to any remuneration (including benefits in kind, pension contributions and any contingent or deferred compensation) from the Fund for their services in any capacity to the Fund.

There are no amounts set aside or accrued by the Fund or its subsidiaries (if any) to provide pension, retirement or similar benefits to the Directors.

None of the Directors (i) has or has had any interest in any transaction which is or was unusual in its nature or conditions or significant to the business of the Fund and which was effected by the Fund since its incorporation, or (ii) has or has had any actual or potential conflicts of interests between their duties to the Fund and their private interests or other duties.

#### *Auditor and Legal Counsel fees*

KPMG, as the independent auditors of the Fund, shall be paid customary fees for providing audit services to the Fund.

Each of SRZ, Cayman Counsel and Guernsey Counsel shall be paid customary fees for providing legal services to the Fund.

#### *Listing fees*

The fees for the original application to list on TISE were £8,750. The fees in connection with the Class A Shares (Restricted) will be £775.

The Fund also pays an annual continuing obligation fee to TISE for each year it remains listed, which will be £3,000 (in accordance with the fee schedule effective as at 1 January 2019) following the listing of the Class A Shares (Restricted).

#### **General**

If any of the expenses listed above are incurred jointly for the account of the Fund and any Other Accounts, such expenses will be allocated among the Fund and such Other Accounts on a *pro rata* basis or in such other manner as the Board of Directors considers fair and equitable.

Generally, Fund expenses, other than the Management Fee, the Incentive Fee and any expenses that the Board of Directors determines should be allocated to a particular Shareholder or Shareholders (e.g., Investor Related Taxes), will be charged against the Shares of all the Shareholders on a *pro rata* basis. To the extent that expenses to be borne by the Fund are paid by, borne or invoiced to the Investment Manager or the Sub-Investment Managers, the Fund will reimburse such party directly for such expenses. The Fund will reimburse or pay the Investment Manager for the Investment Manager overhead expenses and Investment Manager allocated expenses attributable to such entity or branch.

The Fund's organizational and initial offering expenses in the amount of US\$1,690,776.40 are being, for accounting purposes, amortized by the Fund for up to a 60-month period. Amortization of such expenses over a period that is up to 60 months is a divergence from Accounting Standards, which may, in certain circumstances, result in a qualification of the Fund's annual audited financial statements. If the Fund amortizes its expenses but terminates before such expenses are fully amortized, the unamortized portion of the organizational expenses will be debited against the Fund's assets at that time.

Except for the above amortized organizational and initial offering expenses, the Fund is not amortizing any other expenses nor has it written off any other amounts.

The Fund does not have a pre-determined limit on its ordinary or extraordinary operating expenses. The Fund's actual annual operating expenses are disclosed in the Fund's year-end audited financial statements, which are provided to each Shareholder.

The Fund also holds a cash account with Citibank for the purpose of paying expenses of the Fund.

## CAPITAL STRUCTURE OF THE FUND

### General

The Fund has an authorized share capital of US\$50,000 divided into 1,000 non-redeemable, non-participating voting shares (“**Voting Shares**”) with a par value of US\$1.00 per share and 49,000,000 redeemable, participating shares (“**Shares**”) with a par value of US\$0.001 per share.

Pursuant to a resolution of the Board of Directors, the Fund is currently offering, pursuant to this Prospectus, Shares designated as Class A Shares (“**Class A Shares**”) and Class B Shares (“**Class B Shares**”) to investors that, if accepted, will become Shareholders. Class A Shares are available as Unrestricted Shares and Restricted Shares. Class A Shares and Class B Shares are currently available denominated in US Dollars. Class A Shares are being offered to Qualifying Investors. Class B Shares may only be subscribed for by the Investment Manager or an affiliate in connection with an employee incentive scheme, or by Investment Manager Related Investors. The Shares have the same rights and privileges, and are subject to the same terms and conditions, save as set out herein under “Management Fee”, “Incentive Fee”, “Redemptions of Shares” and “New Issues”.

The Fund has not issued any options or warrants.

The Fund, in the sole discretion of the Board of Directors, may establish and offer additional classes or designations of Shares that provide for different or additional terms than those of the Shares described in this Prospectus, including by way of example different Management Fee rates, Incentive Fee rates, functional currencies, information rights and redemption rights. Without limiting the generality of the foregoing, the Fund may offer Shares denominated in Sterling, Euro, Swiss Francs and Yen in the future. The Board of Directors may establish new classes or designations without providing prior notice to, or receiving consent from, the Shareholders. The terms of such classes or designations of Shares will be determined by the Board of Directors and the Investment Manager in their sole discretion.

Under the Articles, the Fund may, by an ordinary resolution of the holders of the Voting Shares, increase its share capital, consolidate or sub-divide its share capital or cancel any unissued Shares. The Fund may, by a special resolution of the holders of the Voting Shares, reduce its share capital. The Fund may but shall not be obliged to hold a general meeting in each year as its annual general meeting, and shall specify the meeting as such in the notice calling it. Any general meeting shall be held at such time and place as the Directors shall determine. Only the holders of a Voting Share shall (in respect of such Voting Share) have the right to receive notice of, attend at and vote as a member at any general meeting of the Fund.

The base currency of the Fund is the US Dollar. The Investment Manager may, where practicable, seek to hedge at the Fund level the exposure of any designation or class of Shares denominated in a currency other than the base currency of the Fund. The costs and fiscal results of any such hedging for a particular class or designation of Shares will be solely for the account of such Shares. There can be no assurance that any such hedging will be effective.

Separate designations of Shares may be issued on each date that Shares are purchased for the purpose of allocating profits and losses attributable to “new issues” or any other any income or expense attributable to a particular Shareholder.

All Shareholders are entitled to the benefit of, are bound by and are deemed to have notice of the provisions of the Articles. Under the terms of the Articles, the liability of the Shareholders is limited to any amount unpaid on their Shares, subject as otherwise provided therein. As the Shares can only

be issued if they are fully paid, the Shareholders will not be liable for any debt, obligation or default of the Fund beyond their interest in the Fund, save as any Shareholder may otherwise agree with the Fund.

The Articles have been drafted in broad and flexible terms to allow the Board of Directors the authority to, in its discretion, determine a number of issues including the period of notice to be given for redemptions and whether or not to charge subscription or redemption fees, generally or in any particular case. In approving the offering of Shares on the terms set forth in this Prospectus, the Board of Directors has exercised a number of these discretions in accordance with the Articles.

If the Fund is wound up, the liquidator will apply the assets of the Fund in such manner and order as it thinks fit in the satisfaction of creditors' claims. The assets of the Fund then available for distribution will be first applied in payment to the holders of the Voting Shares *pari passu* of the nominal amount of the Voting Shares. Any surplus assets then remaining will then be applied in repayment to the relevant Shareholders *pari passu* of the nominal amount of the Shares. Any further surplus assets will be divided between the classes and designations of Shares *pro rata* according to their relative Net Asset Values and then within such classes and designations *pari passu* according to the number of Shares held.

If the Fund is wound up (whether the liquidation is voluntary, under supervision or by the court), then the liquidator may, with the authority of a special resolution and any other sanction required by applicable law, divide among the Shareholders in kind the whole or any part of the assets of the Fund, and whether or not the assets consist of property of a single kind and may for such purposes set such value as the liquidator deems fair upon any one or more class or classes of property, and may determine how such division will be carried out as between the holders of different classes and designations of Shares. The liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of Shareholders as the liquidator, with the like authority, thinks fit, and the liquidation of the Fund may be closed and the company dissolved, but so that no holder will be compelled to accept any assets in respect of which there is liability.

Shares of the same class or designation carry an equal right to any dividends or other distributions. Dividends may be paid in the sole discretion of the Board of Directors. To the extent that a dividend may be declared, it will be paid in compliance with any applicable laws. It is not anticipated that the Fund will pay dividends.

### **Voting Rights**

MaplesFS Limited (“**MaplesFS**”), a company incorporated in the Cayman Islands licensed to carry on trust business, holds all of the Voting Shares, as trustee, pursuant to a declaration of trust under Cayman Islands law (the “**Declaration of Trust**”) to benefit certain qualified charities (the “**Trust**”). The Investment Manager has entered into a fee agreement with MaplesFS (the “**Trustee Fee Agreement**”) to formalize the agreement between the Investment Manager and MaplesFS with respect to MaplesFS's remuneration for the provision of its services as trustee. The Voting Shares carry voting rights, each Voting Share conferring upon the holder thereof the right to receive notice of, and to attend and vote at, general meetings of the Fund. Voting Shares are entitled in a winding-up of the Fund to repayment of the par value of such shares as set forth in the Articles but have no other right to participate in the profits or assets of the Fund.

MaplesFS is an affiliate of Maples and Calder, the Fund's Cayman Islands legal counsel.

Subject to the Articles and as set out below under “Voting Rights” and “Special Voting Rights”, the holders of the Shares are not entitled to receive notice of, attend, speak or vote at general meetings of the Fund.

The Articles provide that, subject to the Companies Law (2018 Revision) of the Cayman Islands (the “**Companies Law**”) and the other provisions of the Articles, all or any of the class rights or other terms of offer whether set out in this Prospectus, any subscription agreement or otherwise (including any representations, warranties or other disclosure relating to the offer or holding of Shares) (collectively referred to as “**Share Rights**”) for the time being applicable to any class or designation of Shares in issue (unless otherwise provided by the terms of issue of those Shares) may (whether or not the Fund is being wound up) be varied without the consent of the holders of the issued Shares of that class or designation where such variation is considered by the Directors, not to have a material adverse effect upon such holders’ Share Rights; otherwise, any such variation shall be made only with the prior consent in writing of the holders of not less than three-fourths by Net Asset Value of such Shares, or with the sanction of a resolution passed by a majority of at least three-fourths of the votes cast in person or by proxy at a separate meeting of the holders of such Shares. For the avoidance of doubt, the Directors reserve the right, notwithstanding that any such variation may not have a material adverse effect, to obtain consent from the holders of such Shares. Each subscriber for Shares will be required to agree that the terms of offer set out in the Fund’s subscription agreement (the “**Subscription Agreement**”) and the rights attaching to the Shares can be varied in accordance with the provisions of the Articles. Where the Directors seek and obtain consent from the holders of not less than three-fourths by Net Asset Value of any class or designation of Shares to vary the Share Rights of such class or designation, any holder of Shares of such class or designation which does not so consent, following the passing of the resolution approving such variation of Share Rights, will be entitled to redeem all (but not a portion) of its Shares of such class or designation as at the next Redemption Date upon 30 days’ prior written notice to the Administrator without being subject to any applicable Early Redemption Fee or Special Redemption Fee, but subject to a Suspension (See “Redemptions of Shares–Suspensions” herein).

### **Special Voting Rights**

Promptly upon receiving, over any 3-month period, a request from no fewer than two Unaffiliated Investors in a Voting Fund that are not affiliates of each other, in a Voting Fund that represent in the aggregate fifteen percent (15%) or more of the sum of the Net Asset Value of all issued Shares (or other ownership interests, as applicable) held by all Unaffiliated Shareholders in the Fund and each other Voting Fund (adjusted so that the net asset values attributable to the Shares and/or interests held by Unaffiliated Investors in any Voting Fund are not counted more than once across the aggregated net asset value of all the Voting Funds taken as a whole), the Voting Funds Management will together send voting forms to all Unaffiliated Investors for purposes of voting on whether to remove all Voting Funds Management and to appoint replacements. The Unaffiliated Investors will be required to return their votes to the Voting Funds Management for the Voting Funds in which they are invested no later than the sixtieth (60th) day (or, if such day is not a Business Day, the first Business Day following such day) from the date on which the forms are sent to the Unaffiliated Investors. The Voting Funds Management will not be obligated to send voting forms to (or otherwise call a vote of) the Unaffiliated Investors more than once in any twelve (12) month period, and in the event more than one such request is received during any twelve (12) month period, the Voting Funds Management will act upon the first of such requests received and disregard any subsequent requests received during such twelve (12) month period. Following the expiration of the twelve (12) month period, the first eligible request received shall be acted upon. For the avoidance of doubt, the CS Investor is not an Unaffiliated Investor.

In the event that either the Investment Manager and/or either Sub-Investment Manager is removed, no such party will continue to receive, directly or indirectly, any management and/or performance-based fees from the Fund.

“**Voting Fund**” means (i) the Fund, (ii) any feeder fund to the Fund for which the Investment Manager or its affiliate serves as investment manager and/or Voting Funds Management which feeder fund is invested in the Fund (whether directly or indirectly through one or more blocker entities as determined by the Voting Funds Management) and (iii) any other fund that is part of the foregoing fund structure and for which the Investment Manager or its affiliate serves as investment manager and/or Voting Funds Management. In the event that the Fund becomes a feeder fund to a master fund, then the reference in (ii) to the Fund shall be deemed to include such master fund. A fund is a feeder fund to another fund when it invests 40% or more of its net assets in such fund.

“**Voting Funds Management**” means the Board of Directors, the Investment Manager, the Sub-Investment Managers and all persons or entities serving in similar capacities to any other Voting Fund.

“**Business Day**” means any day other than (a) Saturday and Sunday, and (b) any other day on which banks located in London or New York are required or authorized by law to be closed and/or such other day or days as the Board of Directors may from time to time determine.

Investors that have submitted a redemption request for a complete redemption from the relevant Voting Fund (including Shareholders that have submitted a complete redemption request) shall not be permitted to vote to remove the Voting Funds Management and any Shares or other interests attributable to such investors shall not be taken into account when determining the Net Asset Values attributable to the Shares or other interests held by Unaffiliated Investors in any Voting Fund; provided that if such investor’s complete redemption is subject to suspension or similar liquidity restrictions, such investor will be permitted to vote and its Shares or other interests will be taken into account when determining the Net Asset Values attributable to the Shares or other interests held by Unaffiliated Investors in any Voting Fund. In addition, an investor that has submitted a redemption request for a portion (but not all) of its investment in a Voting Fund shall be permitted to vote provided that the *pro rata* amount of such investor’s investment in the Voting Fund attributable to such investor’s partial redemption request shall not be applied to the determination of the net asset value attributable to interests held by Unaffiliated Investors in a Voting Fund or to the vote to remove the Voting Funds Management. Notwithstanding anything to the contrary contained herein, a Voting Fund’s Voting Funds Management shall not unreasonably limit or restrict an investor’s ability to remove the Voting Funds Management, including by exercising the right to require the investor to compulsorily redeem.

The Voting Funds Management may be removed for any reason (a “**Removal Action**”), and new Voting Funds Management may be elected, pursuant to the aggregated voting procedure described above, by a Majority in Interest of Unaffiliated Investors, provided that legal counsel to each relevant Voting Fund renders a written opinion to the effect that such action will not adversely affect either the limited liability status of any investor of such Voting Fund under applicable law or the classification of a Voting Fund that is treated as a corporation for US federal income tax purposes. The removal of the Voting Funds Management as set forth above will be effective upon the later of (x) three (3) months after notice of an affirmative vote of the Majority in Interest of Unaffiliated Investors is received by the Voting Funds Management and (y) the effective appointment of a new/successor Voting Funds Management agreed upon by a Majority in Interest of Unaffiliated Investors. No person

may be appointed as a replacement director, trustee, general partner or person serving in a similar capacity unless such replacement has been in the financial services industry for at least five (5) years.

**“Majority in Interest of Unaffiliated Investors”** means Unaffiliated Investors representing in excess of 50% of the aggregate sum of the Net Asset Value of all capital account balances, issued shares, units or other interests, as applicable, held by all Unaffiliated Investors in all of the Voting Funds at such time (adjusted so that the Net Asset Values attributable to the Shares or other interests held by Unaffiliated Investors in any Voting Fund are not counted more than once across the Aggregated Net Asset Value of all of the Voting Funds taken as a whole).

Following the removal of the Voting Funds Management, each investor in a Voting Fund that is not an Unaffiliated Investor shall be permitted to (i) sell its Shares or other interest to the successor Voting Funds Management for such Voting Fund and their affiliates or to any other purchaser pursuant to terms mutually agreed upon among such parties (provided such purchaser fulfils the Voting Fund’s eligibility criteria and completes any documents required by the Voting Funds Management) or (ii) redeem any or all of the balance of its investment in the Voting Fund pursuant to the terms of such Voting Fund’s organizational documents.

Each Voting Fund’s investment management agreement shall contain a provision that if the Investment Manager or any successor to its business shall cease to furnish services to the Voting Fund, then the Voting Fund, at its expense, shall be required to cease using the names “QT Fund Ltd” or similar name and “Credit Suisse” or any name, mark or logo type derived from it or similar to it or indicating that the Voting Fund is managed by or otherwise associated with the Investment Manager.

The Voting Funds Management and their affiliates will continue to be indemnified pursuant to the organizational documents of the relevant Voting Fund (as applicable).

Except as otherwise required by applicable law, on or after the removal of any Representative, any amendment to the organizational documents of a Voting Fund that adversely affects the rights of a removed Representative or its affiliates will require the written consent of such removed Representative and its affected affiliates.

The investment management agreements for each Voting Fund (including the Investment Management Agreement for the Fund) will contain a provision that a Removal Action will trigger the automatic termination of such investment management agreement on the effective date of the removal of the Voting Funds Management for such Voting Fund, pursuant to the terms thereof. No entity may be appointed by the successor Voting Funds Management as a replacement investment manager unless such replacement is (or is affiliated with an entity that is) an investment adviser that (a) has (together with its affiliates) at least US\$5 billion of assets under management and (b) has been in the financial services industry or in the business of managing assets similar to the investments in which the Voting Fund invests for at least five (5) years.

## OFFERING OF SHARES

### General

The Fund generally may offer Shares as of the first day of each calendar month or at such other times as the Board of Directors may determine in its discretion (each, a “**Subscription Date**”). The Fund is currently offering Class A Shares (Unrestricted), Class A Shares (Restricted) and Class B Shares denominated in US Dollars.

With effect from April 30, 2019, Class A Shares held by Rule 5130 Restricted Persons, Rule 5131 Restricted Persons or Shareholders that have elected to not participate in any profits and losses attributable to new issues have been redesignated as Class A Shares (Restricted) and will be Restricted Shares. Class A Shares not redesignated as Class A Shares (Restricted) have been renamed Class A Shares (Unrestricted) and will continue to be Unrestricted Shares. References in this Prospectus to Class A Shares are to Class A Shares (Unrestricted) and Class A Shares (Restricted), unless otherwise specifically stated. For the avoidance of doubt, all Class B Shares are Restricted Shares.

Class A Shares are being offered to Qualifying Investors. Class B Shares may only be subscribed for by the Investment Manager or an affiliate in connection with an employee incentive scheme, or by Investment Manager Related Investors.

Shares will be issued in registered, book-entry form (meaning that no share certificates will be issued).

Shares will be available for subscription on Subscription Dates at the prevailing Net Asset Value per Share of the relevant designation or, if no Shares of that designation are then in issue, at such price as may be determined by the Board of Directors. An Equalization Credit may also be payable.

Shares may only be subscribed for in cash.

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

In the event that Shares are not allotted for any reason, subscription moneys will be returned without interest to the account from which such moneys were originally debited.

### Minimum Initial and Additional Subscription

The minimum initial subscription amount for Class A Shares and Class B Shares is US\$25,000, subject to the sole discretion of the Board of Directors to accept subscriptions of a lesser amount or establish different minimums in the future. The minimum additional subscription amount for Class A Shares and Class B Shares is US\$25,000, subject to the sole discretion of the Board of Directors to accept subscriptions of a lesser amount or establish different minimums in the future.

### Equalization Credit

If Class A Shares are subscribed for at a time when the Net Asset Value per Share of the relevant designation is greater than the High Water Mark applicable to such designation, then the subscriber will be required to pay an Equalization Credit. The “**High Water Mark**” is the higher of (i) US\$100 per Share denominated in US Dollars (or such other price per Share at which Shares were first issued

upon establishment of the relevant designation or when no Shares of that designation were then currently in issue), and (ii) the highest Net Asset Value per Share of the relevant designation at the end of any previous Calculation Period (after deduction of the Management Fee and the Incentive Fee), including with respect to Class A Shares (Restricted) that have been redesignated the highest Net Asset Value per Share prior to such redesignation. The “**Equalization Credit**” is an amount equal to 35% of the difference between the then current Net Asset Value per Share of the relevant designation (before accrual for any Incentive Fee and any Investor Related Taxes) and the High Water Mark applicable to such designation. The Equalization Credit will equal the Incentive Fee accrued with respect to the other Shares of that designation (the “**Accrued Fee**”) and which should not be charged to the Shares being subscribed for. As a result, only Shares which appreciate in value from their Reference Net Asset Value will be charged an Incentive Fee and all Shares of the same relevant designation will have the same Net Asset Value per Share. The Equalization Credit is at risk in the Fund and will appreciate or depreciate according to the performance of the Shares of the relevant designation although it will never be less than zero or more than the amount originally paid. To the extent that at the end of the Calculation Period the Accrued Fee remains payable, then the Equalization Credit will be used to purchase additional Shares of the relevant designation (at the prevailing Net Asset Value per Share of such designation) for issue to the Shareholder. If the Accrued Fee is not payable then the Equalization Credit will remain at risk in the Fund until such time as the Accrued Fee is payable in whole or in part. If the Accrued Fee is payable in part, then a *pro rata* amount of the Equalization Credit will be used to purchase additional Shares of the relevant designation and this will continue into future Calculation Periods until the full amount of the Equalization Credit has been used. Any unutilized portion will remain at risk in the Fund. If a Shareholder redeems its Shares before the Equalization Credit has been exhausted, then the remaining portion (if any) will be remitted to such Shareholder. No Equalization Credit will be payable in respect of Class A Shares subscribed at a time when the Net Asset Value per Share of the relevant class is below the High Water Mark.

### **Sales Charges**

There will be no sales charges payable to the Investment Manager, its affiliates or the Fund in connection with the offering of Shares. However, the Fund, the Investment Manager and/or its affiliates may enter into agreements with placement agents providing for one-time or ongoing payments based upon the amount of a Shareholder’s subscriptions or the Management Fees and/or Incentive Fees borne by a Shareholder that was introduced to the Fund by the placement agent.

The Board of Directors may, in its sole discretion, reject any subscription, in whole or in part, for any reason or no reason at all. The Board of Directors reserves the right to close the Fund or any class or designation of Shares to subscriptions from time to time and at any time and to limit the aggregate amount of subscriptions. The Board of Directors may choose to assert such right in respect of all investors, or just new investors, or to accept subscriptions from some investors but not others.

### **Plan of Distribution**

As of the date of this Prospectus, the Investment Manager and Credit Suisse Securities (USA) LLC (“**CSSU**”), an affiliate of the Investment Manager, act as the Fund’s distributors and serve in that capacity on a reasonable best efforts basis, subject to various conditions. Each of the Investment Manager and CSSU may retain broker-dealers and financial advisers to assist in the distribution of Shares. The Investment Manager will pay CSSU fees for distribution services as may be agreed from time to time on normal commercial terms and rates.

## New Issues

The Fund from time to time may invest in a “**new issue**”, as defined in FINRA Rule 5130. FINRA Rule 5130 generally prohibits a FINRA member from selling a new issue to any account (*e.g.*, a private investment fund) in which a “restricted person”, as defined in FINRA Rule 5130 (a “**Rule 5130 Restricted Person**”), has a beneficial interest, subject to certain exemptions, including the *de minimis* exemption (the “**De Minimis Exemption**”), which permits a FINRA member to sell a new issue to any account if (a) the beneficial interests of Rule 5130 Restricted Persons do not exceed 10% (in the aggregate) of such account or (b) such account limits the aggregate participation by Rule 5130 Restricted Persons to no more than 10% of the profits and losses attributable to new issues.

In addition, FINRA Rule 5131 bans the practice of “spinning”, which occurs when a broker-dealer allocates a new issue to an executive officer or director of a company, who then returns the favour by using the broker-dealer for its company’s investment banking needs. FINRA Rule 5131 bans spinning by generally prohibiting a FINRA member from allocating shares of a new issue to any account in which an executive officer or director of a “public company” (as defined in FINRA Rule 5131) or a “covered non-public company” (as defined in FINRA Rule 5131), or a person materially supported by such an executive officer or director (each, a “**Rule 5131 Restricted Person**”), has a beneficial interest if such Rule 5131 Restricted Person’s company has or expects to have an investment banking relationship with the FINRA member, subject to certain exemptions, including an exemption that permits a FINRA member to allocate shares of a new issue to any account in which the beneficial interests of Rule 5131 Restricted Persons of a particular company in the aggregate do not exceed 25% of such account (the “**Rule 5131 Exemption**”).

For the purpose of allocating profits and losses attributable to new issues in compliance with FINRA Rule 5130 and FINRA Rule 5131, the Fund issues “**Restricted Shares**” and “**Unrestricted Shares**”.

To enable the Fund to invest in new issues, the Investment Manager has established the following policies in connection with the allocation of profits and losses attributable to new issues:

### *FINRA Rule 5130*

Subject to the Fund’s FINRA Rule 5131 allocation policy, an investor that is not deemed to be a Rule 5130 Restricted Person will be issued Unrestricted Shares and all other investors (*i.e.*, investors that are Rule 5130 Restricted Persons or have elected to not participate in any profits and losses attributable to new issues) will be issued Restricted Shares. Subject to the Fund’s FINRA Rule 5131 allocation policy, an investor that is an entity (*e.g.*, an investment fund, corporation, partnership or trust) that meets the De Minimis Exemption will not be treated as a Rule 5130 Restricted Person.

### *FINRA Rule 5131*

Subject to the Fund’s FINRA Rule 5130 allocation policy, an investor that is not a Rule 5131 Restricted Person will be issued Unrestricted Shares and all other investors (*e.g.*, investors that are Rule 5131 Restricted Persons or have elected to not participate in any profits and losses attributable to new issues) will be issued Restricted Shares. An investor that is an entity (*e.g.*, an investment fund, corporation, partnership or trust) that meets the Rule 5131 Exemption will not be treated as a Rule 5131 Restricted Person.

Each investor will be asked to complete a questionnaire in order to determine the extent to which it, and the Fund, may participate in new issues. The Investment Manager reserves the right to vary the policy with respect to the allocation of profits and losses attributable to new issues as it deems appropriate for the Fund as a whole, in light of, among other things, existing interpretations of, and amendments to, FINRA Rule 5130 and FINRA Rule 5131 and practical considerations, including administrative burdens and principles of fairness and equity.

As a matter of fairness to Shareholders that do not participate in profits and losses attributable to new issues, a use of funds charge may be debited against Unrestricted Shares in an amount equal to the interest that would have accrued on the amount used to purchase new issue securities (less the amount applicable to the Restricted Shares interest therein, if any) and allocated among all classes and designations of Restricted Shares *pro rata* in accordance with their respective Net Asset Values. The amount of such interest would be calculated based upon the annual rate being paid by the Fund for borrowed funds. If funds have not been borrowed, the annual rate would be the rate the Board of Directors determines would have been paid if funds had been borrowed by the Fund.

**Subscription Procedure**

Persons interested in subscribing for Shares will be furnished, and will be required to complete and return to the Administrator by facsimile or email, a Subscription Agreement and items relating thereto as outlined in the Subscription Agreement by no later than 17.00 hrs (Cayman Islands time) on at least 5 Business Days prior to the relevant Subscription Date.

To avoid delays in the processing of subscriptions, prospective investors are encouraged to contact the Administrator as soon as possible so as to determine what additional information may be required, including in order to comply with anti-money laundering requirements.

## REDEMPTIONS OF SHARES

### Voluntary Redemptions

Generally, each Shareholder will have the right (i) as of the last day of each calendar month, upon at least 90 days' prior written notice to the Administrator by facsimile or email, to redeem any or all of its Shares; and (ii) as of the last day of each calendar month, upon 30 days' prior written notice to the Administrator by facsimile or email, to redeem any or all of its Class A Shares subject to a fee equal to 2% of the Net Asset Value of the Shares redeemed (the "**Special Redemption Fee**") retained by the Fund for the benefit of the continuing investors in the Fund; *provided, however*, that redemption proceeds from Class A Shares redeemed prior to the last day of the applicable Early Redemption Period will be subject to a fee equal to 5% of the Net Asset Value of the Shares redeemed (the "**Early Redemption Fee**") retained by the Fund for the benefit of the continuing investors in the Fund.

A redemption of Class A Shares may incur either a Special Redemption Fee or Early Redemption Fee, but in no event will both be charged with respect to the redemption of the same Shares (i.e., Shares that are redeemed prior to the expiration of the applicable Early Redemption Period and are subject to an Early Redemption Fee will not also be charged a Special Redemption Fee, even if redeemed on only 30 days' notice). The Board of Directors may reduce or waive the Early Redemption Fee or the Special Redemption Fee with respect to any Shareholder or designation but only to the extent that a simultaneous subscription to the Fund offsets the amount of the redemption that generates such fees.

The last day of each calendar month or each other date on which a redemption is permitted by the Board of Directors is referred to as a "**Redemption Date**".

An "**Early Redemption Period**" means, with respect to any subscription for or acquisition on a transfer of Shares (each such subscription or transfer are referred to herein as an "acquisition"), the period commencing on the date of acquisition of such Shares and ending on the last day of the twelfth full month following such acquisition.

The Fund will promptly notify all Shareholders upon the occurrence of any of the following events and circumstances: (a) the occurrence of a Key Person Event; (b) if the Investment Manager ceases to be authorized by the relevant regulatory authority to manage the Fund; (c) in the event that the Investment Manager and/or its employees (each in connection with the management of the Fund) or the Fund is attributed with a material violation, or failure to comply with, the AML/OFAC Obligations and any other applicable anti-bribery or anti-corruption law in the Cayman Islands, Guernsey or the United States; (d) the conviction, settlement or plea of guilty or no contest by the Investment Manager, any principal or officer of the Investment Manager or the Fund (each, a "**Relevant Person**") regarding any felony, securities law-related misdemeanor or any criminal misdemeanor involving theft, fraud or dishonesty related to the Fund; or (e) settlement with or final determination by any regulatory authority involving a material violation of a securities law or regulation on the part of any Relevant Person (each of (a)-(e), a "**Trigger Event**"). Upon the notification of a Trigger Event, each Shareholder will have the right to redeem any or all of its Shares as of the next available Redemption Date (i.e., the Redemption Date that falls at least 30 days but less than 60 days following such notification), on the standard terms set forth for redemptions herein, except that neither the Special Redemption Fee nor Early Redemption Fee will apply with respect to such redemption.

A "**Key Person Event**" means if Nicholas Branca ceases or could reasonably be expected to cease to be (i) involved on a full-time basis in the management of the Investment Manager, or (ii) directly responsible for the Fund's investments or the management of the Fund.

As Class B Shares will be held by an employee incentive scheme and redeemed under the terms of the scheme rather than pursuant to voluntary requests of beneficiaries, no Special Redemption Fee or Early Redemption Fee will apply with respect to any redemption of Class B Shares. Except with respect to the foregoing, any other investment by an Investment Manager Related Investor in the Fund will be subject to the same redemption terms as Class A Shares.

Payments of redemption proceeds will be in cash (by bank to bank wire transfer) and to an account in the name of the redeeming Shareholder. The Administrator will not remit any payment to a third party account.

### **General**

A redemption notice will be irrevocable unless waived by the Investment Manager or the Board of Directors in their sole discretion.

The Board of Directors in consultation with the Investment Manager may, in its sole discretion, waive notice requirements and/or permit redemptions with respect to Class B Shares at such other times, under such other circumstances and on such conditions as it deems appropriate.

If a redeeming Shareholder has acquired Shares of the same class or designation, Shares of such class or designation on more than one date will be redeemed on a “first-in, first-out” basis, unless the Board of Directors, in its sole discretion, otherwise agrees upon the request of the Shareholder.

Shareholders will be removed from the register of members upon the redemption proceeds being paid. Insofar as investors remain as Shareholders until such time as the relevant Net Asset Value per Share has been calculated and the register of members updated, investors will be treated as creditors for the redemption proceeds, rather than Shareholders from the relevant Redemption Date, and will rank accordingly in the priority of the Fund’s creditors. Furthermore, during this period, investors will have no rights as Shareholders under the Articles, except the right to receive their redemption proceeds, and in particular, will not have the right to receive notice of, attend or vote at any class or general meetings.

The Fund and the Investment Manager will only have the rights to limit a Shareholder’s voluntary redemption of Shares as set forth in this “Redemption of Shares”; and, unless the Fund Documents are amended with the requisite Shareholder consent, the Fund will not limit redemptions by the use of a gating mechanism or converting a Shareholder’s Shares into side pocket shares or other non-redeemable shares.

### **Suspensions**

A majority of the Fund’s Independent Directors may suspend the determination of the Net Asset Value of the Fund and/or redemption rights, in whole or in part, and/or the payment of redemption proceeds, in whole or in part, in respect of voluntary redemptions relating to any Class or designation of Shares or any Shareholder’s Shares: (i) during any period when any stock exchange or over-the-counter market on which the Fund’s investments are quoted, traded or dealt in is closed, other than for ordinary holidays and weekends, or during periods in which dealings are restricted or suspended; (ii) during the existence of any state of affairs as a result of which, in the opinion of the Board of Directors, disposal of the Fund’s assets, or the determination of the Net Asset Value of the Fund or any Class or designation of Shares, would not be reasonably practicable or is reasonably expected to be prejudicial to the non-redeeming Shareholders or the Fund as a whole; (iii) during the existence of any state of affairs as a result of which disposal of a portion of the Fund’s assets deemed significant by the Board of Directors is restricted under applicable securities laws or regulations, or would result in a breach of contractual obligations of the Fund to third parties; (iv) during any breakdown in the

means of communication normally employed in determining the price or value of the Fund's assets or liabilities, or of current prices in any financial market as aforesaid, or when for any other reason the prices or values of any assets or liabilities of the Fund cannot reasonably be promptly and accurately ascertained; (v) for any period during which redemptions would cause a breach or default under any covenant in any agreement entered into by the Fund, including an agreement for borrowing or other financing agreement; (vi) during any period when the transfer of funds involved in the realization or acquisition of any investments cannot, in the opinion of the Board of Directors, be effected at normal rates of exchange; or (vii) during the period in which the Fund is winding down its business. Any such suspension imposed by the Board of Directors under any of the circumstances described in this paragraph is referred to herein as a "**Suspension**".

The Board of Directors will, as soon as practicable, provide written notice to the Cayman Islands Stock Exchange, TISE and the Shareholders of a Suspension. Upon the determination by the Board of Directors that the condition giving rise to a Suspension has ceased to exist and no other condition under which a Suspension is authorized exists, such Suspension will be lifted and written notice will be sent to the Shareholders regarding the lifting of such Suspension and the next date as of which Shareholders will be permitted to redeem all or a portion of their Shares.

Upon a Suspension of redemption rights, all pending redemption requests will be automatically revoked, and no requests subsequently received will be valid until such time as the Board of Directors permits Shareholders to submit redemption requests in anticipation of lifting the suspension.

Upon a Suspension with respect to the determination of the Net Asset Value of the Fund or redemption rights, the crystallization of Incentive Fees will be suspended; *provided* that, upon the first Valuation Day after termination of such Suspension, any crystallization of the Incentive Fee that did not occur due to the Suspension, will crystallize as if such Valuation Day were the end of a Calculation Period. In addition, upon a Suspension with respect to the determination of the Net Asset Value of the Fund, Management Fees will cease, and upon a Suspension that lasts for greater than a three-month period, with respect to redemption rights, Management Fees shall cease with respect to any month following such three-month period. The Board of Directors and/or the Administrator, by written notice to any Shareholder, may suspend payment of redemption proceeds to such Shareholder if the Board of Directors and/or the Administrator reasonably deems it necessary to do so to comply with anti-money laundering laws and regulations applicable to the Fund, the Investment Manager, the Administrator or any of the Fund's other service providers.

If the Board of Directors, in consultation with the Investment Manager, determine that the investment program of the Fund is no longer viable, they may resolve, respectively, that the Fund be managed with the objective of realizing assets in an orderly manner and distributing the proceeds to Shareholders in such manner as they determine to be in the best interests of the Fund, in accordance with the terms of the Articles and this Prospectus, including, without limitation, by compulsorily redeeming Shares and/or declaring a Suspension while assets are realized. This process is integral to the business of the Fund and may be carried out without recourse to a formal liquidation under the Companies Law or any other applicable bankruptcy or insolvency regime, but will be without prejudice to the right (if any) of any shareholder to apply to wind up the Fund. The Management Fee and Incentive Fee will be payable during such orderly realization on the same basis as described herein.

### **Payment of Redemption Proceeds**

Shares will be redeemed at a per Share price (the “**Redemption Price**”) based on the Net Asset Value per Share of the relevant designation (after any Incentive Fee with respect to the redeemed Shares) as of the Redemption Date.

Payment of the amount effectively redeemed together with any unused Equalization Credit paid in respect of the redeemed Shares will generally be made within 30 days of the Redemption Date; *provided, however*, that if a Shareholder elects to redeem 95% or more of its Shares, the Fund will pay such Shareholder an amount equal to at least 95% of its estimated redemption proceeds (computed on the basis of unaudited data as of the Redemption Date) within 30 days after the Redemption Date. If a Shareholder elects to redeem 95% or more of its Shares in the aggregate during a fiscal year by means of more than one redemption, the “hold-back” amount described above will be adjusted to reflect the aggregate redemption amounts made during such fiscal year. The Fund will pay such Shareholder the balance of its redemption proceeds (subject to audit adjustments), as soon as practicable after completion of the audit of the Fund’s books for the year in which such redemption occurs.

If there is a subsequent negative adjustment in the Net Asset Value of any previously redeemed Shares, and any remaining Shares or hold-back with respect to the redeemed Shareholder is insufficient to cover such adjustment, the redeemed Shareholder shall not be liable to the Fund for any such shortfall.

Payments of redemption proceeds will be in cash (by bank to bank wire transfer) and to an account in the name of the redeeming Shareholder. The Administrator will not remit any payment to a third party account.

### **Compulsory Redemptions**

The Board of Directors may, in its sole discretion, compulsorily redeem all or a portion of any Shareholder’s Shares at any time without prior notice, including for regulatory reasons. A Shareholder whose Shares are compulsorily redeemed will be treated for all purposes and in all respects as a Shareholder who has given notice to voluntarily redeem such Shares, except that such Shareholder will not be subject to the Special Redemption Fee or the Early Redemption Fee nor will any Early Redemption Period apply with respect to such redemption.

### **Incentive Fee Redemption**

If Class A Shares are subscribed for at a time when the Net Asset Value per Share of the relevant designation is below the High Water Mark applicable to such designation, a portion of such Shares may be compulsorily redeemed in order to pay the Incentive Fee with respect to any subsequent appreciation in the value of those Shares (an “**Incentive Fee Redemption**”). Where such Shares appreciate in value, an Incentive Fee will be charged at the end of each Calculation Period in respect of appreciation up to such High Water Mark. The Incentive Fee Redemption will be effected by redeeming such number of the Shareholder’s Class A Shares of the relevant designation as have an aggregate Net Asset Value (after accrual for any Incentive Fee) equal to 35% of such appreciation. The proceeds from an Incentive Fee Redemption (i.e. the aggregate Net Asset Value of the Shares redeemed less the aggregate par value which will be retained by the Fund) will be paid to the Investment Manager as an Incentive Fee.

### **Liquidity Management**

The Investment Manager will maintain liquidity management systems and procedures that are intended to allow the Investment Manager to manage the Fund’s illiquid assets and address any related valuation issues in an effort to satisfy regular redemption requests.

## **TRANSFERS OF SHARES**

Each Shareholder may transfer all or any of its Shares by instrument of transfer in any usual form or in any form approved by the Board of Directors. Such instrument shall be signed by or on behalf of the transferor. The registration of transfers of Shares may be suspended at such times and for such periods as the Board of Directors may from time to time determine, provided always that such registration shall not be suspended for more than 30 days in any year.

The Board of Directors may, in their absolute discretion and without giving any reason, refuse to register any transfer of any Share:

- (i) on which the Fund has a lien;
- (ii) if it is in respect of more than one class of share;
- (iii) if it is in favour of more than four joint transferees;
- (iv) having been delivered for registration to the registered office of the Fund or such other place as the Board of Directors may from time to time determine, if it is not accompanied by the certificate (if any) for the shares to which it relates and such other evidence as the Board of Directors may reasonably require to prove the title of the transferor and the due execution by him of the transfer or, if the transfer is executed by some other person on his behalf, the authority of that person to do so.

The Board of Directors may also refuse to register transfers of Shares where registration of the transfer would result in the shares being owned directly or indirectly by a Prohibited Person.

## VALUATION

The Fund's portfolio will be valued in accordance with the valuation principles, policy and procedures (as may be amended from time to time) in accordance with IFRS, established by the Investment Manager and adopted by Board of Directors (the "**Valuation Policy**"). Notwithstanding the foregoing, the Investment Manager may make adjustments to such values if it believes, in its sole discretion, that an alternative method of valuation would better reflect fair value.

As referred to herein, the "**Net Asset Value**" means the net asset value of the Fund, the Shares, or a class or designation of Shares, as applicable, and the "**Net Asset Value per Share**" means the net asset value of the relevant class or designation divided by the number of Shares of that class or designation in issue or deemed to be in issue. The Net Asset Value of the Fund will equal its total assets less its total liabilities on any Valuation Day as calculated by the Administrator in accordance with the Valuation Policy.

The Valuation Policy is available on request from the Investment Manager.

The Net Asset Value per Share is generally determined by (i) allocating any increase or decrease in the Net Asset Value of the Fund for the period of calculation among each of the classes and designations of Shares *pro rata* in accordance with their respective Net Asset Values at the beginning of such period, then (ii) dividing the Net Asset Value of each class or designation of Shares by the number of outstanding Shares therein. Any gains, losses, fees or expenses attributable to a particular class or designation will be allocated solely to such class or designation, including, without limitation, any accrued Management Fee or Incentive Fee and any costs of currency hedging. Shares within a class or designation will have the same Net Asset Value per Share.

Liabilities will be determined using IFRS, applied on a consistent basis; except that the Board of Directors may, in its sole discretion, establish reserves and holdbacks for estimated accrued expenses, liabilities or contingencies, including, without limitation, general reserves and holdbacks for unspecified contingencies (even if such reserves or holdbacks are not required by IFRS).

Prospective investors should understand that uncertainties as to the valuation of portfolio positions could have an impact on the Net Asset Value of the Fund if the judgments of the Investment Manager, in conjunction with the Board of Directors, regarding the appropriate valuation should prove to be incorrect. All values assigned to securities and assets pursuant to the Valuation Policy will be final and conclusive as to all of the Shareholders.

Notwithstanding anything to the contrary herein, the Valuation Policy is subject to change and may be revised from time-to-time. The Fund will provide notice to all Shareholders of any material changes to the Valuation Policy.

The Administrator is responsible for the calculation and publication of the Net Asset Value of the Fund, and the Net Asset Value per Share. The Net Asset Value of the Fund and the Net Asset Value per Share of Class A Shares will be notified to the Cayman Islands Stock Exchange and TISE immediately upon calculation.

Details of each monthly valuation will be announced by the Fund on TISE's and the Cayman Island Stock Exchange's website as soon as practicable after the end of the relevant month.

The issue and redemption price for Shares will be available on request at the Administrator's office.

## **OTHER ACTIVITIES OF MANAGEMENT; POTENTIAL CONFLICTS OF INTEREST**

The Investment Manager, CS HK and CSAMH (including for these purposes, personnel of CSAMH seconded to G10 Capital) (the “**CSAM Group**”) are part of the Credit Suisse Group (the “**Credit Suisse Group**”). The Credit Suisse Group is a worldwide, full-service private banking, investment banking, asset management and financial services organization and a major participant in the global financial markets. As such, the Credit Suisse Group is active in various business activities and may have other direct or indirect interests in the financial markets in which the Fund invests. While relationships and activities of the Credit Suisse Group should enable these entities to offer attractive opportunities and services to the Fund, such relationships and activities may also give rise to circumstances in which the interests of these entities and the Credit Suisse Group conflict with the interests of the Fund. Certain conflicts of interest are set out below. Other present and future activities of the Credit Suisse Group may give rise to additional conflicts of interest. Similar conflicts may apply in respect of G10 Capital.

### **Management of the Fund**

The CSAM Group is not restricted from forming additional investment funds, from entering into other investment advisory relationships or from engaging in other business activities, even though such activities may be in competition with the Fund and/or may involve substantial time and resources. The officers and employees of the CSAM Group will devote such time as they deem necessary to carry out the operations of the Fund effectively. Officers and employees of the CSAM Group will also work on projects for other affiliates of the Credit Suisse Group and may spend a significant portion of their time on matters unrelated to the Fund. Conflicts of interest may arise in allocating management time, services or functions among the CSAM Group and such other affiliates.

In addition, the CSAM Group and other Credit Suisse Group affiliates may manage or advise funds or accounts (“**Other Accounts**”), and the Credit Suisse Group may be invested in funds or accounts that have similar investment objectives or portfolios to that of the Fund, and events occurring with respect to such funds or accounts could affect the performance of the Fund.

The Credit Suisse Group may give advice and take action, with respect to any current or future Other Accounts that may compete or conflict with the advice the CSAM Group may give to the Fund, including with respect to the return of, the timing or nature of action relating to, or the method of exiting, an investment of the Fund.

### **Principal Activities and Client Relationships**

The Credit Suisse Group is a major participant in the various financial markets in which the Fund directly or indirectly invests. As such, the Credit Suisse Group is actively engaged in transactions in the same securities, derivatives and other instruments in which the Fund may invest. Issuers of securities held by the Fund may have publicly or privately traded securities in which the Credit Suisse Group is an investor. The proprietary activities or portfolio strategies of the Credit Suisse Group, or the activities or strategies used for the accounts managed by the Credit Suisse Group for other customer accounts, could conflict with the transactions and strategies employed by the Fund and affect the prices and availability of the securities, derivatives and other instruments in which the Fund invests. The Credit Suisse Group’s trading activities are carried out without reference to positions held by the Fund and may have an adverse effect on the value of the positions so held or may result in the Credit Suisse Group having an interest in the issuer adverse to that of the Fund. The Credit Suisse Group is not under any obligation to share any investment opportunity, idea or strategy with the Fund.

As a result, the Credit Suisse Group may compete with the Fund for appropriate investment opportunities.

It is likely that the Fund will have multiple business relationships with and will invest in, engage in transactions with, make voting decisions with respect to, or obtain services from entities for which the Credit Suisse Group performs or seeks to perform investment banking, financial, consulting or other services. It is also likely that the Fund will undertake transactions in securities in which the Credit Suisse Group makes a market or otherwise has other direct or indirect interests or issues research. Although the CSAM Group's personnel will implement the investment program of the Fund, the Credit Suisse Group, and areas within the CSAM Group, may issue research or analyses that conflicts or competes with portfolio decisions for the Fund.

From time to time, the activities of the CSAM Group on behalf of the Fund may be restricted because of regulatory requirements applicable to the Credit Suisse Group or its internal policies designed to comply with, limit the applicability of, or that otherwise relate to such requirements. An investment fund not affiliated with the Credit Suisse Group would not be subject to some of those considerations in relation to transactions with the Credit Suisse Group. There may be periods when the CSAM Group may not initiate or recommend certain types of transactions, or may otherwise restrict or limit its advice in certain securities, derivatives and other instruments issued by or related to companies for which the Credit Suisse Group is performing investment banking, market making or other services or has proprietary positions.

The Credit Suisse Group may derive ancillary benefits from providing investment advisory, distribution, transfer agency, administrative and other services to the Fund, and providing such services to the Fund may enhance the Credit Suisse Group's relationships with various parties, facilitate additional business development, and enable the Credit Suisse Group to obtain additional business and generate additional revenue.

Notwithstanding these potential conflicts of interest, the CSAM Group will only make investment decisions for the Fund in good faith and in a manner that is consistent with its obligations to the Fund, without regard to the benefits or detriments to the Credit Suisse Group.

#### **Certain Non-Public Information Considerations**

As a result of informational barriers constructed between different divisions of the Credit Suisse Group, the CSAM Group will generally not have access to information, and generally may not consult with personnel in other areas of the Credit Suisse Group. Therefore, the CSAM Group will generally not be able to manage the investments of the Fund with the benefit of information held by other divisions of the Credit Suisse Group. From time to time and subject to the CSAM Group's policies and procedures regarding informational barriers, the CSAM Group may consult with personnel in other areas of the Credit Suisse Group. The performance by such persons of obligations related to their consultation with personnel of the CSAM Group could conflict with their areas of primary responsibility within the Credit Suisse Group or elsewhere. In connection with their activities with the CSAM Group, such persons may receive information regarding the CSAM Group's proposed investment activities for the Fund that is not generally available to the public. There will be no obligation on the part of such persons to make available for use by the Fund any information or strategies known to them or developed in connection with their own client, proprietary or other activities. In addition, the Credit Suisse Group will be under no obligation to make available any research or analysis prior to its public dissemination.

The CSAM Group makes decisions for the Fund based upon the investment objectives of the Fund. The Credit Suisse Group has no obligation to seek information or to make available to or share with

the Fund any information, investment strategies, opportunities or ideas known to the Credit Suisse Group personnel or developed or used in connection with other clients or activities.

From time to time, the Credit Suisse Group may come into possession of material, non-public information or other information that, notwithstanding the use of information barriers, could limit the ability of the Fund to buy and sell investments. The investment flexibility of the Fund may be constrained as a consequence.

### **Brokerage and Counterparty Activities**

To the extent permitted by the Investment Management Agreement and the sub-investment management agreements, and applicable law and regulation, including the Volcker Rule, the CSAM Group may engage a broker-dealer affiliated with the Credit Suisse Group as a prime broker of the Fund or allocate a portion of the Fund's brokerage transactions to affiliates of the CSAM Group. The Credit Suisse Group and such affiliates may receive compensation for providing any such brokerage services.

Conflicts may arise in connection with the CSAM Group's selection of broker-dealers to provide prime brokerage services to Other Accounts and its negotiation of the brokerage, margin and other fees payable to such parties. Prime brokerage firms may introduce prospective clients or afford the CSAM Group the opportunity to make a presentation regarding its services to certain qualified investors. Such capital introduction opportunities are generally provided at no additional cost. In addition, prime brokerage firms may provide certain other services (including, among others, clearance and settlement of securities transactions, placement agent and custody services, and extending margin credit) at favourable or below market rates. Such capital introduction opportunities and other services may create incentives for or provide benefits to the CSAM Group (and not the Other Accounts) from the selection of such prime brokerage firms. The CSAM Group will select such firms only when consistent with obtaining appropriate services for Other Accounts (including the Fund).

To the extent the Credit Suisse Group acts as broker, dealer, agent, lender, advisor, custodian or administrator or in other commercial capacities in relation to the Fund, it may take commercial steps in its own interests, which may have an adverse effect on the Fund. The Credit Suisse Group may also create, write, intermediate, sell or issue, or act as placement agent or distributor of, derivative instruments where the counterparty is the Fund. The performance of such derivative instruments may be based on the performance of the Fund, or the underlying securities, currencies or instruments may be those in which the Fund invests. The Credit Suisse Group may keep any profits, commissions and fees accruing to it in connection with its activities for itself and other clients, and the fees or allocations from the Fund to the Credit Suisse Group will not be reduced thereby.

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

Also, consistent with Section 28(e), research products or services obtained with "soft dollars" generated by the Fund may be used by the CSAM Group to service one or more Other Accounts,

including Other Accounts that may not have paid for the soft dollar benefits. The CSAM Group will not seek to allocate soft dollar benefits to Other Accounts in proportion to the soft dollar credits the Other Accounts generate. Where a product or service obtained with soft dollars provides both research and non-research assistance to the CSAM Group (i.e., a “mixed use” item), the CSAM Group will make a good faith allocation of the cost which may be paid for with soft dollars. In making good faith allocations of costs between administrative benefits and research and brokerage services, a conflict of interest may exist by reason of the CSAM Group’s allocation of the costs of such benefits and services between those that primarily benefit the CSAM Group and those that primarily benefit the Other Accounts.

### **Placement Agent Activities**

The Credit Suisse Group and its sales personnel and other financial distributors have interests in promoting sales of the Fund. The Credit Suisse Group and its sales personnel may benefit from increased amounts of assets under management by directly or indirectly receiving a portion of the fees and commissions charged to the Investors. Such fees and commissions may vary by product or service, and the remuneration and profitability of activity relating to sales of fund securities may be greater than that resulting from other products.

The Credit Suisse Group and its personnel may receive greater compensation or greater profit in connection with placing interests in the Fund than with an account advised by an unaffiliated investment adviser. Differentials in compensation may be related to the fact that the Credit Suisse Group may pay a portion of its advisory fee to the unaffiliated investment adviser, or to other compensation arrangements, including for portfolio management, brokerage transactions or account servicing. Any differential in compensation may create a financial incentive on the part of the Credit Suisse Group and its personnel to recommend the Fund over other accounts or products managed by unaffiliated investment advisers or to effect transactions differently in the Fund as compared to other accounts or products.

### **Agency, Agency Cross and Principal Transactions and Trading for Own Account**

Subject to the applicable law and regulation, including the Volcker Rule, the Credit Suisse Group will be authorized to engage in transactions in which the Credit Suisse Group acts as a broker or adviser for an investor, the Fund and for another person on the other side of the transaction. The Credit Suisse Group may receive commissions or other compensation from, and have a potentially conflicting division of loyalties and responsibilities regarding, the parties to such transaction.

Other than in the ordinary course of business with respect to the Fund’s execution, clearing services that may be performed by a member of the Credit Suisse Group and the Fund entering into transactions under an ISDA or similar documentation where a member of the Credit Suisse Group is a counterparty, the Fund will not enter into any principal transactions or cross-trades.

The CSAM Group, the Credit Suisse Group and their respective employees, officers, directors, principals or shareholders are not prohibited from buying or selling securities or commodity interests for their own account. The records of any such trades by the CSAM Group, the Credit Suisse Group and their respective employees, officers, directors, principals or shareholders will not be open to inspection by investors. With respect to such personal or proprietary accounts, the CSAM Group, the Credit Suisse Group and their respective employees, officers, directors, principals or members might take investment positions different from, or contrary to, those taken by the Fund; however, they are not permitted to trade ahead of the Fund.

### **US Federal Banking Laws**

Certain conflicts of interest may arise between the Credit Suisse Group and the Fund related to the application of certain banking laws as set out below under “US Federal Banking Laws and the Volcker Rule”.

In addition, the CSAM Group or an affiliate, as appropriate, may in the future, in its sole discretion, and without notice to, or consent of, investors, take such action as it determines is necessary or appropriate in order to comply with applicable bank law, rules or regulation, including the BHCA (including the Volcker Rule) or any regulation promulgated thereunder, or to reduce, eliminate or otherwise modify the impact or applicability of such law, rule or regulation to the CSAM Group and/or its affiliates. While such party or parties will have regard to any fiduciary obligations to the Fund in taking any such actions, such actions may have an adverse effect on the Fund. In determining their responses to applicable banking law, rules or regulation, the CSAM Group and its affiliates, subject to any respective fiduciary obligations, will take account of their own business interests, which may conflict with the interests of the Fund.

### **Certain Conflicts of Interest with respect to Other Accounts**

The CSAM Group and the Credit Suisse Group are subject to certain conflicts of interest in their dealings with the Fund and will endeavor to exercise their discretion in a manner that is fair and equitable to all interested persons.

It is anticipated that the CSAM Group will develop numerous quantitative models and software for use for the benefit of any of the Fund and/or Other Accounts for which the CSAM Group manages assets. Similarly, trading and other systems (*e.g.*, order management) developed by employees of the CSAM Group or employees of the Credit Suisse Group for use on behalf of the Fund may also be used by Other Accounts. The determination of how models and systems will be allocated among the Fund and the Other Accounts will be made on a fair and equitable basis, to the extent practical and in accordance with, among other factors, the Fund’s or Other Accounts’ applicable investment strategies, over a period of time.

From time to time, the CSAM Group may license the software developed by the CSAM Group or its personnel to third parties or use such software for proprietary trading purposes, which may increase competition by limiting the investment opportunities available to the clients of the CSAM Group, including the Fund. Additionally, personnel of the CSAM Group that do not manage the Fund’s assets and third parties with license to utilize the CSAM Group’s proprietary models and software may develop implementation methods for such models and software that provide a competitive advantage, thereby reducing and/or eliminating the effectiveness of such model or software with respect to the Fund.

The CSAM Group’s policy is to allocate investment opportunities fairly and equitably among its clients. In general, the CSAM Group’s various trading strategies independently generate orders, which are generally routed directly to brokers and counterparties for execution; with respect to allocations, these orders are generally executed without regard for other instructions generated for the account of the same or a different client of the CSAM Group and orders are generally filled independently. The CSAM Group will have no obligation to purchase or sell a security for, enter into a transaction on behalf of, or provide an investment opportunity to, the Fund or an Other Account solely because the CSAM Group purchases or sells the same security for, enters into a transaction on behalf of, or provides an opportunity to, such Other Account or the Fund.

In addition, investments deemed appropriate for the Fund by the CSAM Group may also be deemed appropriate by the CSAM Group or the Credit Suisse Group for other accounts managed or advised

by the CSAM Group or the Credit Suisse Group, so that the same security may be purchased at or about the same time for both the Fund and the other accounts. In these circumstances, the CSAM Group may determine that orders for the purchase of the same security for the Fund and one or more other accounts should be combined, in which event the transactions may be allocated as nearly as practicable in proportion to the amounts desired to be purchased for each account, such that each account will share the benefits (or adverse effects, if any) of such an aggregation. Conversely, dispositions of securities of issuers whose securities are part of the Fund's portfolio may be deemed appropriate for other accounts managed or advised by the CSAM Group or the Credit Suisse Group but may be deemed inappropriate for the Fund so that a security is sold by such other account(s) but is retained by the Fund. Neither the CSAM Group nor the Credit Suisse Group will be prohibited from making such dispositions with respect to such other account(s).

The CSAM Group will be free to serve and may be compensated by other persons (including issuers of securities held by the Fund) and will only be required to devote such time to the affairs of the Fund as the CSAM Group deems necessary. The CSAM Group and its affiliates may also purchase property from, or sell property to, issuers of securities held by the Fund.

### **Simultaneous Management and Investment**

CS HK will act as a sub-manager to the Fund and may separately invest in the Fund. In an effort to ameliorate actual and perceived conflicts of interest, CS HK will put in place internal procedures so that there is a separation between the team dedicated to the management of the Fund and the team responsible for managing CS HK's investment in the Fund (the "**CS HK Investment**"). This is intended to ensure that investment decisions for the CS HK Investment are made independently of the team responsible for managing the investments of the Fund.

### **Other Conflicts of Interest**

The Fund, and in certain cases the Investment Manager, will have the discretion to waive or modify the application of, or grant special or more favourable rights with respect to, any provision of this Prospectus to the extent permitted by applicable law. To effect such waivers or modifications or the grant of any special or more favourable rights, the Fund may create additional classes or designations of shares for certain shareholders that provide for, additional and/or different rights (including, without limitation, with respect to the Incentive Fee, Management Fees, functional currencies, redemption rights, minimum and additional subscription amounts, informational rights and other rights). Certain grants of special rights may also be made by the Fund and, in certain cases, the CSAM Group, through letter agreements ("**Other Agreements**"). Although certain Shareholders may invest in the Fund with different material terms, the Fund and/or the CSAM Group generally will only offer such terms if they believe other Shareholders in the Fund will not be materially disadvantaged. The Fund may create additional classes or designations of shares, and the Fund, or in certain cases the CSAM Group, may enter into Other Agreements with certain Shareholders without notice to, or consent of, other Shareholders.

In addition, in response to questions and requests and in connection with due diligence meetings and other communications, the Fund and the CSAM Group may provide additional information to certain investors and prospective investors that is not distributed to other investors and prospective investors in the Fund. Such information may affect a prospective investor's decision to invest in the Fund or an existing investor's decision to stay invested in the Fund.

Members of the Credit Suisse Group, including the CS Investor, who hold Shares may be in possession of information relating to the Fund and the portfolio not available to all investors.

The Credit Suisse Group and/or the CSAM Group may use the same outside law firms (collectively, the “**Law Firms**”) used by the Fund and other clients and private funds managed or sponsored by the Credit Suisse Group or the CSAM Group (the “**Private Fund Clients**”). In some instances, the Credit Suisse Group or the CSAM Group has negotiated a discount on its legal fees with such Law Firms that may be substantially greater than the discount received by such Private Fund Clients due, in part, to the greater volume and different types of legal work that the Credit Suisse Group and/or the CSAM Group gives to the Law Firms. Accordingly, the Credit Suisse Group and the CSAM Group benefit from the greater discount in legal fees they receive, which may cause the CSAM Group not to use another law firm for the Private Fund Client’s legal work that would not offer it the same discounted rates. The receipt of this benefit by the Credit Suisse Group and the CSAM Group is a conflict of interest, which is mitigated through disclosure in this Prospectus.

The foregoing does not purport to be a complete list of all potential conflicts of interest involved in an investment in the Fund.

As a general matter, the Directors owe certain fiduciary duties to the Fund, which require them to, among other things, act in good faith and in what they consider to be in the best interests of the Fund and in doing so, the Directors will act in a manner that ensures the fair treatment of Shareholders. In exercising their discretions (including in determining to cause the Fund to enter into any Other Agreement), the Directors will act in accordance with such fiduciary duties. This requires them to ensure that their actions (including, without limitation, in entering into Other Agreements) do not result in the unfair treatment of Shareholders.

Under the Articles, a Director shall be at liberty to vote in respect of any contract or transaction in which such Director is interested provided that the nature of the interest of such Director in any such contract or transaction shall be disclosed by such Director at or prior to such Director’s consideration or vote thereon.

## CERTAIN RISK FACTORS

**An investment in the Fund involves a high degree of risk, including the risk that the entire amount invested may be lost.**

Prospective investors should consider the following additional factors in determining whether an investment in the Fund is a suitable investment. The Board of Directors and Investment Manager have included the following risk factors based upon their determination of what is most significant to a prospective investor. However, certain of the risks described below may never materialize. The Investment Manager does not actively manage for each risk described below but rather focuses its risk management on those risks it deems most relevant at any given time. In addition, over time the risks may evolve or change, with new risks appearing, some risks ceasing to be applicable and the importance of each risk fluctuating.

### **Risks Relating to the Operations and Investment Activities of the Fund**

#### *Systems and Operational Risks Generally*

The Fund depends on the Investment Manager to develop and implement appropriate systems for the Fund's activities. The Fund relies heavily and on a daily basis on financial, accounting and other data processing systems. In addition, the Fund relies on information systems to store sensitive information about the Fund, the Investment Manager, their affiliates and the Shareholders. Certain of the Fund's and the Investment Manager's activities will be dependent upon systems operated by third parties, including brokers, Prime Brokers, the Administrator, market counterparties and other Service Providers, and the Investment Manager may not be in a position to verify the risks or reliability of such third-party systems. Failure in the systems employed by the Investment Manager, brokers, Prime Brokers, the Administrator, counterparties, exchanges and similar clearance and settlement facilities and other parties could result in mistakes made in the confirmation or settlement of transactions, or in transactions not being properly booked, evaluated or accounted for. Disruptions in the Investment Manager's operations may cause the Fund to suffer, among other things, financial loss, the disruption of trading or investment operations, liability to third parties, regulatory intervention or reputational damage. Any of the foregoing failures or disruptions could have a material adverse effect on the Fund and the Shareholders' investments in the Fund.

#### *Reliance on Technical Trading Systems*

The Investment Manager will allocate the Fund's capital to investment strategies that are based on technical trading systems. Although the Investment Manager retains all discretion with respect to the manner in which a trading system's output is interpreted and applied, there can be no assurance that the Investment Manager's trading systems and its interpretation and application of the trading systems' output will take into account all relevant factors. Technical trading systems can also be ineffective when fundamental factors drive financial instruments' prices.

#### *Use of Systems*

The Investment Manager relies extensively on the use of computer systems, hardware, software, and telecommunications equipment. The Investment Manager makes use of its own models as well as systems which are publicly available or provided by third parties. Accordingly, the Fund is exposed to the risk that computer hardware, software, electronic equipment and other services used by the

Investment Manager may cease to be available, for example, due to the insolvency of the provider or the discontinuation of services or software updates. In such circumstances, the Investment Manager would seek to obtain equivalent hardware, software and services from an alternative supplier.

#### *System Failure*

As the Investment Manager makes extensive use of computer hardware, systems and software, the Fund is exposed to risks caused by failures of IT infrastructure and data. In addition, outright failure or a partial impairment (whether due to external situations or internal file corruption) of the underlying hardware, operating system, software or network may leave the Fund unable to trade either generally or in certain of its strategies, and this may expose it to risk should the outage coincide with turbulent market conditions. To ameliorate this risk, backup and failover plans have been put in place by the Investment Manager. Nevertheless, in the worst case, the Investment Manager may have to liquidate the Fund's entire portfolio as the only safe way to proceed should a crippling system outage occur.

#### *Data Feed Failure*

The Investment Manager's models utilise data feeds from a number of sources. If these data feeds were to be corrupted, compromised, or discontinued in any manner, or not delivered or accessible in a timely manner, the models may not be properly formulated. This failure to receive the data feeds or receive the data feeds in a timely manner may leave the Fund unable to trade or may result in trades that are not aligned with an algorithm's goal, and this may expose the Fund to risk of loss or loss of opportunities, in particular if the loss of the data feed coincides with turbulent market conditions. If the data feeds are compromised or discontinued in any material manner or if the data feeds are not delivered or accessible in a timely manner, it may result in a loss to the Fund, which could be material.

#### *Risk of Programming Implementation Error or Logical Error*

Given the reliance of the Investment Manager upon the operation of its models and other software trading and analysis systems, it follows that the Fund is therefore at risk of errors of implementation (colloquially known as "bugs") and errors of design that may exist or arise in the software or models, and which may cause inappropriate or aberrant behavior under certain or all market conditions. While reasonable steps have been taken to ensure that the software is adequate in design and free from manifest bugs, formal proof of bug-free code has not been undertaken, nor can the underlying logical and/or mathematical models be certified as free from error; investors should expect that – at any given time – the Investment Manager's code will contain errors and bugs.

As with any software, upgrades, "bug fixes" and various other improvements may be introduced over time and the risk therefore exists that such changes may detrimentally affect the performance of the Fund, rather than improve it.

Furthermore, without limitation, while the software has been tested, no guarantee can be given that a unique combination of input conditions experienced when running the system "live" and which has not been encountered during development, will not cause the system to fail, perform aberrantly, or take positions that are (under some reasonable criteria) judged to be inappropriate.

These failures can also occur in a complex, interdependent environment where different elements of code are all functioning correctly if their interaction gives rise to unanticipated or unintended errors. Given the fact that the Investment Manager will be utilising proprietary and third-party code (some of

which may be open-source and without any warranties), it is possible or likely that errors will arise from such interactions. For the sake of clarity and without limitation, though losses arising from programming implementation errors or logical errors could adversely affect the Fund's performance, such losses would likely not constitute reimbursable trade errors under the Investment Manager's policies.

#### *Risks Inherent in Computer-Driven and Intellectual Property Based Systems*

The Investment Manager relies to a material extent on a wide range of intellectual property systems, including computer hardware and software systems and telecommunications systems, in substantially all phases of its operations, including research, valuation, trade identification and construction, trade execution, clearing, risk management, back office functions and reporting.

As described above, intellectual property systems are subject to a number of inherent and unpredictable risks. For example, there may be material undiscovered errors in software programs; software and/or hardware may malfunction and/or degrade; electronic and telecommunications delivery may fail; security breaches may lead to unauthorized trades or stolen intellectual property; services provided by third-party vendors to support the intellectual property systems may be interrupted; and computer-driven trading errors may occur. For the sake of clarity and without limitation, though losses arising from computer-driven and intellectual property-based systems could adversely affect the Fund's performance, such losses would likely not constitute reimbursable trade errors under the Investment Manager's policies.

#### *Cybersecurity Risk*

As part of its business, the Investment Manager processes, stores and transmits large amounts of electronic information, including information relating to the transactions of the Fund and personally identifiable information of the Shareholders. Similarly, Service Providers of the Investment Manager and the Fund, especially the Administrator, may process, store and transmit such information. The Investment Manager has procedures and systems in place to protect such information and prevent data loss and security breaches. However, such measures cannot provide absolute security. The techniques used to obtain unauthorized access to data, disable or degrade service, or sabotage systems change frequently and may be difficult to detect for long periods of time. Hardware or software acquired from third parties may contain defects in design or manufacture or other problems that could unexpectedly compromise information security. Network connected services provided by third parties to the Investment Manager may be susceptible to compromise, leading to a breach of the Investment Manager's network. The Investment Manager's systems or facilities may be susceptible to employee error or malfeasance, government surveillance, or other security threats. On-line services provided by the Investment Manager to the Shareholders may also be susceptible to compromise. Breach of the Investment Manager's information systems may cause information relating to the transactions of the Fund and personally identifiable information of the Shareholders to be lost or improperly accessed, used or disclosed.

The Service Providers are subject to the same electronic information security threats as the Investment Manager. If a Service Provider fails to adopt or adhere to adequate data security policies, or in the event of a breach of its networks, information relating to the transactions of the Fund and personally identifiable information of the Shareholders may be lost or improperly accessed, used or disclosed.

The loss or improper access, use or disclosure of the Investment Manager's, the Fund's proprietary information may cause the Investment Manager or the Fund to suffer, among other things, financial loss, the disruption of its business, liability to third parties, regulatory intervention or reputational

damage. Any of the foregoing events could have a material adverse effect on the Fund and the Shareholders' investments in the Fund.

### *Trade Errors*

The Investment Manager has an obligation to seek to ensure that orders placed for the Fund are accurate. The Fund may on occasion experience errors with respect to trades made on its behalf. Trade errors may result in losses or gains. Trade errors may include, for example:

- an error in a manual trading instruction (e.g., incorrect ticker symbol or other identifier, incorrect quantity), including a manual override of automated trading instructions;
- an error in an automated execution that result in a transaction other than the one specified by a strategy model;
- a trade that was improperly allocated among the Fund and Other Accounts in error; and
- another error during the clearance and settlement processes that resulted in an unintended transaction.

Pursuant to the exculpation and indemnification provided by the Fund to the Investment Manager and its affiliates and personnel, the Investment Manager and its affiliates and personnel will generally not be liable to the Fund for any act or omission, and the Fund will be required to indemnify such persons against any loss, absent bad faith, gross negligence, willful misconduct or fraud of such person.

As a result of these provisions, the Fund (and not the Investment Manager) will benefit from any gains resulting from trade errors and will be responsible for any losses (including additional trading costs) resulting from trade errors and similar human errors, except as described above.

Errors that do not result in transactions (such as trade instructions entered in error which are withdrawn or corrected prior to execution) will not be viewed as "trade errors." It is the Investment Manager's general policy to identify trade errors and to ensure that each error is corrected in an expeditious manner. To the extent an error is caused by a counterparty, such as a broker-dealer, the Investment Manager will seek to recover any losses associated with such error from the counterparty. The Investment Manager may offset any such net gains and net losses resulting from trade errors. The Investment Manager will reimburse the Fund for losses for which the Investment Manager is responsible under the exculpation provisions.

Given the potentially large volume of transactions executed by the Investment Manager on behalf of the Fund, investors should assume that trade errors (and similar errors) will occur and that, to the extent permitted by applicable law and under the Fund Documents, the Fund will be responsible for any resulting losses, even if such losses result from the negligence (but not gross negligence) of the Investment Manager's personnel.

### *Strategy Exceptions and Hardware Failure*

The development of the Investment Manager's trading systems is complex and involves financial, economic, econometric and statistical theories, research, and modelling, which are then translated into computer code. In the Investment Manager's automated trading environment, the Fund is at risk of errors of implementation (e.g., "bugs" and classic coding errors), errors of design, and errors resulting from the unexpected interaction of various code modules or systems. These kinds of problems are

collectively termed “**Strategy Exceptions**”. As part of its fiduciary duty, the Investment Manager tests and evaluates new trading models prior to final production and implementation. Notwithstanding testing, there is always the chance that production models may contain code bugs or incorrect design, which could result in losses for the Fund. Coding errors and systemic risks from quantitative and algorithmic trading are inherent to the Investment Manager’s strategies.

Similarly, with regard to trading, communication, development, programming, and other systems or equipment that the Investment Manager operates, utilises or relies upon, any or all of the following events may occur, even where the Investment Manager, acting as a fiduciary, takes steps to select secure and satisfactory equipment and service providers: (i) failures of such systems or equipment, (ii) interruptions in access to or the operations of such systems or equipment; (iii) loss of functionality of such systems or equipment; (iv) degradation or corruption of such systems or equipment; (v) compromises in the security or integrity of such systems or equipment; (vi) loss of power to such systems or equipment; and (vii) other situations that adversely affect such systems or equipment, however caused or occurring. These sorts of problems can result in losses for the Fund and are collectively termed “**Hardware Failures**”.

Neither Strategy Exceptions nor Hardware Failures are deemed to be “trade errors.” As a result of the exculpation and indemnification provided by the Fund to the Investment Manager and its affiliates and personnel, the Fund (and not the Investment Manager) will be responsible for any losses (including additional trading costs) resulting from Strategy Exceptions or Hardware Failures, absent bad faith, gross negligence, willful misconduct or fraud.

## **Risks Related to Investment Strategies and Risk Management**

### *Quantitative Model Risk and Risk Management Dangers*

There can be no assurance that the models used by the Investment Manager will continue to be viable. The use of a model that is not viable or not completely viable could, at any time, have a material adverse effect on the performance of the Fund. There can be no assurance that the Fund will achieve its investment objectives or that the models (even if completely or partially viable) will continue to further or ultimately be capable of furthering the Fund’s investment objectives.

In addition, given that the systems can execute trades autonomously, undesired results may only be detected after the fact, perhaps after a significant number of transactions have occurred.

Risk management techniques are based in part on the observation of historical market behavior, which may not predict market divergences that are larger than historical indicators. Also, information used to manage risks may not be accurate, complete or current, and such information may be subject to misinterpretation. In the complex environment in which the Investment Manager operates, effective risk management depends upon many factors, not all of which may be properly identified, and effective assessment, analysis, process creation, control or treatment of risks could be difficult to implement. For the sake of clarity and without limitation, though losses arising from quantitative model risks could adversely affect the Fund’s performance, such losses would likely not constitute reimbursable trade errors under the Investment Manager’s policies.

At times the Investment Manager may manually override or shut down the operations of a quantitative model. This would generally be done in an effort to mitigate the damage from a deteriorating or malfunctioning model or a model that is reacting negatively to unforeseen market conditions. Such an override or intervention could result in greater losses than would be the case if there had been no

intervention and/or could result in the model being overridden or inactive at a time when the model would have achieved gains for the portfolio.

#### *Proprietary Trading Methods*

As the trading methods employed by the Investment Manager on behalf of the Fund are proprietary to the Investment Manager, a Shareholder will not be able to determine any details of such methods or whether they are being followed.

#### *Obsolescence Risk*

The Fund is unlikely to be successful unless the assumptions underlying the Investment Manager's models are realistic and either remain realistic and relevant in the future or are adjusted to account for changes in the overall market environment. If such assumptions are inaccurate or become inaccurate and are not promptly adjusted, it is likely that profitable trading signals will not be generated. If and to the extent that the models do not reflect certain factors, and the Investment Manager does not successfully address such omission through its testing and evaluation and modify the models accordingly, major losses may result.

The Investment Manager will continue to test, evaluate and add new models, as a result of which the existing models may be modified from time to time. Any modification of the models or strategies will not be subject to any requirement that Shareholders receive notice of the change or that they consent to it. There can be no assurance as to the effects (positive or negative) of any modification on the Fund's performance. For the sake of clarity and without limitation, though losses arising from obsolescence risks could adversely affect the Fund's performance, such losses would likely not constitute reimbursable trade errors under the Investment Manager's policies.

#### *Crowding/Convergence*

There is significant competition among quantitatively-focused managers and the ability of the Investment Manager to deliver returns that have a low correlation with the broader global markets and other hedge funds is dependent on its ability to employ models that are simultaneously profitable and differentiated from those employed by other managers. To the extent that the Investment Manager is not able to develop sufficiently differentiated models, the Fund's investment objectives may not be met, irrespective of whether the models are profitable in an absolute sense. In addition, to the extent that the Investment Manager's models come to resemble those employed by other managers, the risk that a market disruption that negatively affects predictive models will adversely affect the Fund is increased, as such a disruption could accelerate reductions in liquidity or rapid repricing due to simultaneous trading across a number of funds in the marketplace. For the sake of clarity and without limitation, though losses arising from crowding/convergence risks could adversely affect the Fund's performance, such losses would likely not constitute reimbursable trade errors under the Investment Manager's policies

#### *Risk of Programming and Modelling Errors*

The research and modelling process engaged in by the Investment Manager is extremely complex and involves financial, economic, econometric and statistical theories, research and modelling; the results of that process must then be translated into computer code. Although the Investment Manager seeks to hire individuals skilled in each of these functions and to provide appropriate levels of oversight, the complexity of the individual tasks, the difficulty of integrating such tasks, and the limited ability to

perform “real world” testing of the end product raises the chances that the finished model may contain an error.

For the sake of clarity and without limitation, though losses arising from programming and modelling errors could adversely affect the Fund’s performance, such losses would likely not constitute reimbursable trade errors under the Investment Manager’s policies.

#### *Involuntary Disclosure Risk*

The ability of the Investment Manager to achieve its investment goals for the Fund is dependent in large part on its ability to develop and protect its models and proprietary research. The models and proprietary research and the Models and Data are largely protected by the Investment Manager through the use of policies, procedures, agreements, and similar measures designed to create and enforce robust confidentiality, non-disclosure, and similar safeguards. However, aggressive position-level public disclosure obligations (or disclosure obligations to exchanges or regulators with insufficient privacy safeguards) could lead to opportunities for competitors to reverse-engineer the Investment Manager’s models, and thereby impair the relative or absolute performance of the Fund.

#### *Technical Trading Strategies*

The buy and sell signals generated by certain strategies of the Fund are not based on any analysis of fundamental supply and demand factors, general economic factors or anticipated world events but generally upon factors such as studies of actual daily, weekly and monthly price fluctuations, volume variations, changes in open interest and correlations and variance measures. The profitability of any technical trading strategy depends upon occurrence in the future of major price moves or trends in the instruments traded. In the past there have been periods without discernible trends and presumably similar periods will occur in the future. The best trading strategy will not be profitable if there are no trends of the kind it seeks to follow. In addition, a technical trading strategy may be profitable for a period of time, after which the strategy fails to detect correctly any future price movements. Accordingly, technical traders often modify or replace their strategy on a periodic basis. Any factor that may lessen the prospect of major trends in the future (for example, as increased governmental control of, or participation in, the markets) may reduce the prospect that the strategy will be profitable. Any factor that would make it more difficult to execute trades at the strategy’s signal prices, such as a significant lessening of liquidity in a particular market, also would be detrimental to profitability.

#### *Spread Trading*

A part of the Investment Manager’s strategy may involve spread positions between two or more positions. To the extent the price relationships between such positions remain constant, no gain or loss on the positions will occur. Such positions, however, do entail a substantial risk that the price differential could change unfavorably, thus causing a loss to the spread position. The Investment Manager’s strategy also may involve arbitraging among two or more financial instruments. This means, for example, that the Investment Manager may cause the Fund to purchase (or sell) financial instruments (on a current basis) and take offsetting positions in the same or related financial instruments. To the extent the price relationships between such positions remain constant, no gain or loss on the positions will occur. These offsetting positions entail substantial risk that the price differential could change unfavorably causing a loss to the position. Moreover, the arbitrage business is extremely competitive, and many of the major participants in the business are large investment banking firms with substantially greater financial resources, larger research staffs and more investment professionals than will be available to the Investment Manager. Arbitrage activity by other

larger firms may tend to narrow the spread between the price at which the Investment Manager may cause the Fund to purchase a financial instrument and the price the Investment Manager expects that the Fund will receive upon consummation of a transaction.

### *Model and Data Risk*

The Investment Manager will rely heavily on quantitative and systematic models (both proprietary models developed by the Investment Manager, and those supplied by third parties) and information and data supplied by third parties (“**Models and Data**”). Models and Data can be used to construct sets of transactions and investments, to value investments or potential investments (whether for trading purposes, or for the purpose of determining the net asset value of the Fund), to provide risk management insights, and to assist in hedging the Fund’s exposure.

When Models and Data prove to be incorrect, misleading or incomplete, any decisions made in reliance thereon expose the Fund to potential risks. For example, by relying on Models and Data, the Investment Manager may be induced to buy certain investments at prices that are too high, to sell certain other investments at prices that are too low, or to miss favourable opportunities altogether. Similarly, any hedging based on faulty Models and Data may prove to be unsuccessful.

All models rely on correct market data inputs. As the Investment Manager’s models are usually constructed based on, or employ, historical or current market data supplied by third parties, the success of relying on Models and Data may depend heavily on the accuracy and reliability of the supplied data, which can contain errors.

For the sake of clarity and without limitation, though Model and Data risks could adversely affect the Fund’s performance, losses that arise as a result of the use of Models and Data likely would not constitute reimbursable trade errors under the Investment Manager’s policies.

### *Regulatory Risks Applicable to High-Frequency Trading Strategies*

A recent increase in governmental and regulatory scrutiny has focused on investment funds that operate high frequency trading strategies and automated or computer-based trading. Such scrutiny has and can in future lead to costly investigations, litigation, legislative testimony, loss of reputation, fines and settlements, and could also result in additional severe consequences.

The SEC recently proposed a one-year pilot program that will allow equity securities of certain, small-cap companies with a market capitalisation of US\$5 billion or less, among other factors, to trade in five-cent increments. This may have the effect of increasing the cost of trading by market participants, including the Fund. In addition, the SEC has imposed a rule that prohibits the practice of “naked” or “unfiltered access.” Such a prohibition bars brokers from granting high frequency traders with unfiltered access to the financial markets. The impact of such a prohibition is unknown, but such a rule may potentially limit the implementation of the Fund’s investment strategy. The SEC is also considering the imposition of additional market maker obligations on anyone engaged in high-frequency trading. While the US government’s definition of high frequency trading may be designed primarily to capture ultra-high frequency trading, it is likely that a number of these proposals may affect the trading activities of the Investment Manager. The SEC has considered the imposition of additional mechanisms to eliminate “quote stuffing,” whereby large numbers of stock orders are placed and cancelled almost immediately, such as by setting minimum amounts of time for which stock quotes must remain active. Lastly, the implementation of new trading “circuit breakers” and additional trading limitations are being considered by the SEC. These mechanisms would restrict programmatic trading in the event that a market moved up or down by more than a predetermined

number of points on any trading day. In the event of their implementation, compliance with any one or more of the abovementioned proposed regulations may negatively impact the Investment Manager's ability to effect its trading strategies, and may in turn have a negative effect on the Fund's investments.

Similar restrictions on high frequency trading are being considered by European and other securities regulators.

#### *Correlation Risk*

The Fund may be exposed to correlated risks. These occur when funds and other investors hold similar positions and employ similar strategies, resulting in intensified risks leading to potential cascading loss in times of market stress.

Quantitative traders can be particularly susceptible to this type of correlation risk as a result of convergence in their automated trading algorithms and positions held. The high leverage and hedging techniques that many arbitrage-driven quantitative hedge fund managers use can further magnify the effects of correlation risk.

#### *Possible Positive Correlation with Stocks and Bonds*

One of the goals for the Fund's investment program is to provide a potentially valuable element of diversification. However, there can be no assurance, particularly during periods of market disruption and stress when the risk control benefits of diversification may be most important, that the Fund will, in fact, experience a low level of correlation with a traditional portfolio of stocks and bonds.

#### *Use of Discretion*

If the Investment Manager believes that a severe or significant event outside the scope of the model has occurred or will occur, the Investment Manager may exercise its discretion to override any recommendation generated by the Investment Manager's models. There is, therefore, a risk that the Investment Manager might act in a manner that is detrimental to the Fund's performance, possibly even doing so in a systematic and sustained manner.

#### *Regulatory Risks and Disclosure Obligations*

A recent increase in governmental and regulatory scrutiny has focused on investment funds that operate high frequency trading strategies and automated or computer-based trading, like those generated by the Fund. The US financial regulators have recently implemented rules and regulations that require mandatory clearing of certain securities, registration of investment advisors and commodity pool operators, restrictions on short sales and limitations on access to the financial markets by high frequency traders. In addition, changes in laws or regulations related to electronic trading and order routing systems are being considered in certain jurisdictions. Any such changes may have a material adverse effect on certain strategies deployed by the Investment Manager.

The ability of the Investment Manager to achieve its investment goals for the Fund is dependent in large part on its ability to develop and protect its models and proprietary research. The models and proprietary research are largely protected by the Investment Manager through the use of policies, procedures, agreements, and similar measures designed to create and enforce robust confidentiality, non-disclosure, and similar safeguards. However, public disclosure obligations (or disclosure obligations to exchanges or regulators with insufficient privacy safeguards) that require position level

disclosure could provide opportunities for competitors to reverse-engineer the Investment Manager's models, and thereby impair the relative or absolute performance of the Fund.

#### *Discretion of the Investment Manager; New Strategies and Techniques*

The Investment Manager has considerable discretion in the types of securities which the Fund may trade and has the right to modify the trading strategies or hedging techniques of the Fund without the consent of the Shareholders. Any of these new trading techniques may not be thoroughly tested in the market before being employed and may have operational shortcomings which could result in unsuccessful trades and, ultimately, losses to the Fund. In addition, any new trading strategies or hedging technique developed by the Fund may be more speculative than earlier techniques and may increase the risk of an investment in the Fund.

#### *Counterparty Risk; Financing Arrangements; Availability of Credit*

The success of the Fund is dependent to a very large degree upon the ability of the Fund to establish and maintain relationships to obtain financing, derivative intermediation and prime brokerage services that permit the Fund to trade on a leveraged basis in any variety of markets or asset classes over time. However, there can be no assurance that the Fund will be able to establish or maintain such relationships or that such relationships will be on optimal terms. An inability to establish or maintain such relationships on competitive terms could limit the Fund's trading activities or ability to generate leveraged returns, create losses or preclude the Fund from engaging in certain transactions as could any reduction in financing facilities or if such facilities are no longer cost effective. Whilst the Fund will seek to establish relationships with several counterparties on terms which it considers competitive, there is no guarantee that such counterparties will offer the best terms either generally or in respect of particular transactions or types of transactions and the Fund and the Investment Manager may only have limited transparency over pricing from other sources. Moreover, a disruption in the financing, derivative intermediation and prime brokerage services provided by any such relationships could have a significant impact on the Fund's business due to the Fund's reliance on such counterparties.

As a general matter, the banks and dealers that provide financing to the Fund can apply essentially discretionary margin, "haircut" financing as well as security and collateral valuation policies. Changes by banks and dealers in such policies, or the imposition of other credit limitations or restrictions, whether due to market circumstances or government, regulatory or judicial action, may result in large margin calls, loss of financing, forced liquidations of positions at disadvantageous prices, termination of swap and cross-defaults to agreements with other dealers. Any such adverse effects may be exacerbated in the event that such limitations or restrictions are imposed suddenly and/or by multiple market participants. The imposition of any such limitations or restrictions could compel the Fund to liquidate all or part of its portfolio at disadvantageous prices, perhaps leading to a complete loss of the Fund's equity.

#### *Leverage*

The Fund may use "leverage" as part of the investment program. Leverage may take the form of, among other things, any of the securities described herein, including, derivative instruments which are inherently leveraged and trading in products with embedded leverage such as options, short sales, swaps and forwards. The use of leverage will allow the Fund to make additional investments, thereby increasing its exposure to assets, such that its total assets may be greater than its capital, however, leverage will also magnify the volatility of changes in the value of the Fund's portfolio. The effect of the use of leverage by the Fund in a market that moves adversely to its investments could result in substantial losses to the Fund, which would be greater than if the Fund were not leveraged. The level

of interest rates generally, and the rates at which the Fund can borrow particularly will affect the operating results of the Fund. The amount of borrowings and leverage which the Fund may have outstanding at any time may be substantial in relation to its capital.

The instruments and borrowings utilised by the Fund to leverage investments may be collateralised by the Fund's portfolio. Accordingly, the Fund may pledge its securities in order to borrow or otherwise obtain leverage for investment or other purposes. Should the securities pledged to brokers to secure the Fund's margin accounts decline in value, the Fund could be subject to a "margin call", pursuant to which the Fund must either deposit additional funds or securities with the broker or suffer mandatory liquidation of the pledged securities to compensate for the decline in value.

#### *Lending of Portfolio Securities*

The Fund may lend securities from its portfolio on a collateralised and an uncollateralised basis to creditworthy securities firms and financial institutions. While a securities loan is outstanding, the Fund will continue to receive the equivalent of the interest or dividends paid by the issuer on the securities, as well as interest on the investment of the collateral or a fee from the borrower. The risks in lending securities, as with other extensions of secured credit, if any, consist of possible delay in receiving additional collateral, if any, or in recovery of the securities or possible loss of rights in the collateral, if any, should the borrower fail financially.

#### *Equity Price Risk*

The Fund's investment portfolios will include long and short positions in equity securities of public and private, listed and unlisted companies. Equity securities fluctuate in value in response to many factors, including, among others, the activities and financial condition of individual companies, geographic markets, industry market conditions, interest rates and general economic environments. In addition, events such as the domestic and international political environments, terrorism and natural disasters, may be unforeseeable and contribute to market volatility in ways that may adversely affect investments made by the Fund.

#### *Equity Securities Generally*

The value of equity securities of public and private, listed and unlisted companies and equity derivatives generally varies with the performance of the issuer and movements in the equity markets. As a result, the Fund may suffer losses if it invests in equity instruments of issuers whose performance diverges from the Investment Manager's expectations or if equity markets generally move in a single direction and the Fund has not hedged against such a general move. The Fund also may be exposed to risks that issuers will not fulfil contractual obligations such as, in the case of convertible securities or private placements, delivering marketable common stock upon conversions of convertible securities and registering restricted securities for public resale.

#### *Convertible/Exchangeable Securities*

A convertible security may be subject to redemption at the option of the issuer at a price established in the convertible security's governing instrument. If a convertible security held by the Fund is called for redemption, the Fund will be required to permit the issuer to redeem the security, convert it into the underlying common stock or sell it to a third party. Any of these actions could have an adverse effect on the Fund's ability to achieve its investment objective.

### *Investments in Initial Public Offerings*

Investments in initial public offerings (or shortly thereafter) may involve higher risks than investments issued in secondary public offerings or purchases on a secondary market due to a variety of factors, including, without limitation, the limited number of shares available for trading, unseasoned trading, lack of investor knowledge of the issuer and limited operating history of the issuer. In addition, some companies in initial public offerings are involved in relatively new industries or lines of business, which may not be widely understood by investors. Some of these companies may be undercapitalised or regarded as developmental stage companies, without revenues or operating income, or the near-term prospects of achieving them. These factors may contribute to substantial price volatility for such securities and, thus, for the value of the Fund.

### *Derivative Instruments Generally*

Certain swaps, options and other derivative instruments may be subject to various types of risks, including market risk, liquidity risk, the risk of non-performance by the counterparty (including risks relating to the financial soundness and creditworthiness of the counterparty), legal risk and operations risk. In addition, the Fund may, in the future, take advantage of opportunities with respect to certain other derivative instruments that are not presently contemplated for use or that are currently not available. Special risks may apply in the future that cannot be determined at this time. The regulatory and tax environment for derivative instruments in which the Fund may participate is evolving, and changes in the regulation or taxation of such financial instruments may have a material adverse effect on the Fund.

The Fund may incur risks associated with the sale and purchase of call options. The seller (writer) of a call option which is covered (*i.e.*, the writer holds the underlying security) assumes the risk of a decline in the market price of the underlying security below the purchase price of the underlying security less the premium received, and gives up the opportunity for gain on the underlying security above the exercise price of the option. The seller of an uncovered call option assumes the risk of a theoretically unlimited increase in the market price of the underlying security above the exercise price of the option. The securities necessary to satisfy the exercise of an uncovered call option, if applicable, may be unavailable for purchase, except at much higher prices, thereby reducing or eliminating the value of the premium. Purchasing securities to cover the exercise of an uncovered call option can cause the price of the securities to increase, thereby exacerbating the loss. The buyer of a call option assumes the risk of losing its entire premium investment in the call option.

The Fund may incur risks associated with the sale and purchase of put options. The seller (writer) of a put option which is covered (*i.e.*, the writer has a short position in the underlying security) assumes the risk of an increase in the market price of the underlying security above the sales price (in establishing the short position) of the underlying security plus the premium received, and gives up the opportunity for gain on the underlying security if the market price falls below the exercise price of the option. The seller of an uncovered put option assumes the risk of a decline in the market price of the underlying security below the exercise price of the option. The buyer of a put option assumes the risk of losing its entire investment in the put option.

### *Swap Agreements Generally*

The Fund may enter into swap agreements. These agreements can be individually negotiated and structured to include exposure to a variety of different types of investments, asset classes or market factors. The Fund, for instance, may enter into total return swaps, volatility swaps or other swap agreements with respect to interest rates, credit defaults, currencies, securities, indexes of securities

and other assets or other measures of risk or return. Depending on their structure, swap agreements may increase or decrease the Fund's exposure to, for example, equity securities, long-term or short-term interest rates, foreign currency values, credit spreads or other factors. Swap agreements can take many different forms and are known by a variety of names. The Fund is not limited to any particular form of swap agreement.

Whether the Fund's use of swap agreements will be successful will depend on the Investment Manager's ability to select appropriate transactions for the Fund. Swap transactions may be highly illiquid and may increase or decrease the volatility of the Fund's portfolio. Moreover, the 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 Fund will also bear the risk of loss related to swap agreements, for example, for breaches of such agreements or the failure of the Fund to post or maintain required collateral. Many swap markets are relatively new and still developing. It is possible that developments in the swap markets, including potential government regulation, could adversely affect the Fund's ability to terminate swap transactions or to realize the amounts to be received under such transactions.

#### *Swap Agreements and Synthetic Assets*

The Fund may acquire exposure to indices, debt securities, structured finance securities, loans and other types of assets synthetically through derivative products such as credit default swaps (including CDS and CDX contracts), total return swaps, credit linked notes, structured notes, trust certificates and other derivative instruments (each, a "**Synthetic Asset**").

A Synthetic Asset could take many forms, including a credit derivative transaction that references a structured finance security, debt security or loan, a credit derivative transaction that references a portfolio or index of corporate reference entities or a portfolio or index of reference obligations consisting of structured finance securities, total return swap transaction that references both income and any capital gains of an underlying asset, debt securities, bonds, or other financial instruments (each, a "**Reference Obligation**").

Exposure to such Reference Obligations through Synthetic Assets presents risks in addition to those resulting from direct purchases of the assets referenced. The Fund will have a contractual relationship only with the Synthetic Asset counterparty, and not with the issuer(s) (the "**Reference Entity**") of the Reference Obligations unless a credit event occurs with respect to any such Reference Obligation, physical settlement applies and the Synthetic Asset counterparty delivers the Reference Obligation to the Fund. Other than in the event of such delivery, the Fund generally will have no right directly to enforce compliance by the Reference Entity with the terms of any such Reference Obligation and the Fund will not have any rights of set-off against the Reference Entity. In addition, the Fund generally will not have any voting or other consensual rights of ownership with respect to the Reference Obligation. The Fund also will not directly benefit from any collateral supporting the Reference Obligation and will not have the benefit of the remedies that would normally be available to a holder of such Reference Obligation. The Fund will be subject to the credit risk of the Synthetic Asset counterparty, as well as that of the Reference Entity, as well as the documentation risk associated with these instruments.

In the event of the insolvency of the Synthetic Asset counterparty, the Fund will be treated as a general creditor of such counterparty, and will not have any claim of title with respect to the Reference Obligation. Consequently, the Fund will be subject to the credit risk of the Synthetic Asset counterparty, as well as that of the Reference Entity. As a result, concentrations of Synthetic Assets entered into with any one Synthetic Asset counterparty will subject such Synthetic Assets to an

additional degree of risk with respect to defaults by such Synthetic Asset counterparty as well as by the respective Reference Entities.

While the Fund expects that returns on a Synthetic Asset may reflect those of each related Reference Obligation, as a result of the terms of the Synthetic Asset and the assumption of the credit risk of the Synthetic Asset counterparty, a Synthetic Asset may have a different expected return, a different (and potentially greater) probability of default and different expected loss and recovery characteristics following a default.

#### *Futures Contracts*

The value of futures depends upon the price of the financial instruments, such as commodities, underlying them. The prices of futures are highly volatile, and price movements of futures contracts can be influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. In addition, investments in futures are also subject to the risk of the failure of any of the exchanges on which the Fund's positions trade or of its clearing houses or counterparties.

Futures positions may be illiquid because certain commodity exchanges limit fluctuations in certain futures contract prices during a single day by regulations referred to as "daily price fluctuation limits" or "daily limits." Under such daily limits, during a single trading day, no trades may be executed at prices beyond the daily limits. Once the price of a particular futures contract has increased or decreased by an amount equal to the daily limit, positions in that contract can neither be taken nor liquidated unless traders are willing to effect trades at or within the limit. This could prevent the Fund from promptly liquidating unfavourable positions and subject the Fund to substantial losses or prevent it from entering into desired trades. In extraordinary circumstances, a futures exchange or regulator could suspend trading in a particular futures contract, or order liquidation or settlement of all open positions in such contract.

#### *Forward Trading*

Forward contracts and options thereon, unlike futures contracts, are not traded on exchanges and are not standardised; rather, banks and dealers act as principals in these markets, negotiating each transaction on an individual basis. Forward and "cash" trading is substantially unregulated; there is no limitation on daily price movements and speculative position limits are not applicable. The principals who deal in the forward markets are not required to continue to make markets in the currencies or commodities they trade, and these markets can experience periods of illiquidity, sometimes of significant duration. There have been periods during which certain participants in these markets have refused to quote prices for certain currencies or commodities or have quoted prices with an unusually wide spread between the price at which they were prepared to buy and that at which they were prepared to sell. Disruptions can occur in forward markets due to unusually high trading volume, political intervention or other factors.

#### *Hedging Transactions*

The Fund may utilise financial instruments both for investment purposes and for risk management purposes in order to (i) protect against possible changes in the market value of the Fund's investment portfolios resulting from fluctuations in the markets and changes in interest rates; (ii) protect the Fund's unrealized appreciation in the value of its investment portfolio; (iii) facilitate the sale of any such investments; (iv) enhance or preserve returns, spreads or appreciation on any investment in the

Fund's portfolios; (v) hedge against a directional trade; (vi) hedge the interest rate, credit or currency exchange rate on any of the Fund's investments; (vii) protect against any increase in the price of any investments the Fund anticipates purchasing at a later date; or (viii) act for any other reason that the Investment Manager deems appropriate. The Fund will not be required to hedge any particular risk in connection with a particular transaction or its portfolios generally. While the Fund may enter into hedging transactions to seek to reduce risk, such transactions may result in a poorer overall performance for the Fund than if it had not engaged in any such hedging transaction. Moreover, it should be noted that the portfolio will always be exposed to certain risks that may not be hedged.

#### *Heightened Risk of Self- and Wash Trades*

The Managed Account that the Investment Manager operates for certain Credit Suisse Group entities is engaged in a number of market making, liquidity providing, and statistical arbitrage strategies. These Managed Account strategies may be conducted on exchanges and in marketplaces where the Fund is trading and the instrument universe for the two sets of strategies may have significant overlap. While the Investment Manager will utilise planning techniques and will employ surveillance to identify issues, it is possible that the Managed Account and the Fund will directly trade with each other in a regulated marketplace. Depending on the rules of the relevant marketplace, such activity could result in inquiries, investigations, and additional market regulator or enforcement actions, which could adversely affect the Investment Manager or the Fund.

#### **General Risks**

##### *All Investments in Securities Risk the Loss of Capital*

An investment in the Fund is highly speculative and involves a high degree of risk due to the nature of the Fund's investments and the investment strategies and trading strategies to be employed. An investment in the Fund should not in itself be considered a balanced investment program. Investors should be able to withstand the loss of their entire investment.

No guarantee or representation is made that the Fund's investment program will be successful.

##### *Banking Regulation*

The Credit Suisse Group (including the Investment Manager) is subject to certain US and non-US banking laws, including the US Bank Holding Company Act of 1956, as amended (the "**BHCA**"), and to regulation by the Board of Governors of the Federal Reserve System (the "**Federal Reserve**"). The BHCA and other applicable banking laws, rules, regulations, guidelines and the interpretations thereof by the staff of the regulatory agencies which administer them, may restrict the transactions and relationships between Investment Manager or other members of the Credit Suisse Group, on the one hand, and the Fund, on the other hand, and may restrict the investments, activities and transactions by the Fund. There can be no assurance, however, that any changes in US bank regulatory requirements would not have a material adverse effect on the Fund's investment program or performance.

The Investment Manager may in the future, in its sole discretion, and without notice to or consent of the Shareholders, take such action as it determines is necessary or appropriate in order to comply with the BHCA or other existing US banking laws, or regulation promulgated thereunder to reduce, eliminate or otherwise modify the impact or applicability of such law or regulation to the Credit Suisse Group or the Fund. While the Investment Manager will have regard to its obligations to the Fund and its Shareholders in taking any such actions, the Fund and/or the Shareholders may nevertheless be adversely affected. In determining its responses to such laws or regulations, the Credit

Suisse Group, subject to the Investment Manager's obligations, will take account of its own business interests, which may conflict with the interests of the Shareholders. Moreover, it is possible that such laws or regulations may mandate that the Credit Suisse Group take actions that might otherwise conflict with the Investment Manager's obligations.

#### *General Economic and Market Conditions*

The success of the Fund's activities will be affected by general economic and market conditions, such as interest rates, availability of credit, credit defaults, inflation rates, economic uncertainty, changes in laws (including laws relating to taxation of the Fund's investments), trade barriers, currency exchange controls, and national and international political circumstances (including wars, terrorist acts or security operations). These factors may affect the level and volatility of investments' prices and the liquidity of the Fund's investments. Volatility or illiquidity could impair the Fund's profitability or result in losses. The Fund may maintain substantial trading positions that can be adversely affected by the level of volatility in the financial markets—the larger the positions, the greater the potential for loss.

#### *Legal, Tax and Regulatory Environment for Investment Funds*

The legal, tax and regulatory environment worldwide for investment funds (such as the Fund) and their managers is evolving, and changes in the regulation of investment funds, their managers and their trading and investing activities may have a material adverse effect on the ability of the Fund to pursue its investment program and the value of investments held by the Fund. There has been an increase in scrutiny of the alternative investment industry by governmental agencies and self-regulatory organizations. New laws and regulations or actions taken by regulators that restrict the ability of the Fund to pursue its investment program or employ brokers and other counterparties could have a material adverse effect on the Fund and the Shareholders' investment therein. In addition, the Board of Directors may, in its sole discretion, cause the Fund to be subject to certain laws and regulations if it believes that an investment or business activity is in the Fund's interest, even if such laws and regulations may have a detrimental effect on one or more Shareholders. Without limiting the generality of the foregoing, the tax treatment of aspects of the Fund's trading program may change. The Fund could be exposed to adverse decisions of tax authorities or changes in rules or interpretations and cannot be certain of continued benefit from certain conditions. Such changes could negatively affect the way the Fund and/or the Investment Manager operates and could result in a retrospective tax charge which may be significant.

#### *Brexit*

The United Kingdom has notified the European Council of its intention to withdraw from the European Union. The ongoing withdrawal process could cause an extended period of uncertainty and market volatility, not just in the United Kingdom but throughout the European Union, the European Economic Area and globally. It is not possible to ascertain the precise impact these events may have on the Fund or the Investment Manager from an economic, financial or regulatory perspective but any such impact could have material consequences for the Fund.

#### *Limited Liquidity*

An investment in the Fund provides limited liquidity since a Shareholder's right to redeem is subject to the terms and restrictions set forth in this Prospectus (including any supplement thereto), the Articles and the Subscription Agreement. In the event that there are substantial redemptions of Shares within a limited period of time, the Investment Manager may find it difficult to adjust its asset allocation and trading strategies to the suddenly reduced amount of assets under management. Under such circumstances, in order to provide funds to pay redemptions, the Investment Manager may be

required to liquidate positions of the Fund at an inopportune time or on unfavourable terms, resulting in lower net assets for the remaining Shareholders and a lower redemption price for the redeeming Shareholders. The Board of Directors may elect to cause the redemption of all Shares and liquidate the Fund at any time if, in its view, continued operation of the Fund would be impracticable or imprudent for any reason, including if the amount of the Fund's assets declines to a significant extent. An investment in the Fund is suitable only for investors who do not require immediate liquidity for their investment. Whilst the Class A Shares are admitted to listing on the Official List of TISE and the official list of the Cayman Islands Stock Exchange, there is likely to be little or no secondary market for the sale and purchase of Class A Shares of the Fund.

#### *Variation of Class Rights - Redemptions*

Pursuant to the terms of the Articles, Shareholders that have three-fourths or more of the Net Asset Value of a class or designation of Shares may consent in writing to any variation of Share Rights applicable to such class or designation of Shares, including a variation that would restrict the redemption rights of all Shareholders holding Shares of such class or designation. Accordingly, the redemption rights of any Shareholder as described herein and as set forth in the Articles are subject to change at any time. Redemption rights that may be affected include, without limitation, the notice period for redemptions, the frequency of redemptions and the time and mechanism that the Fund may require to pay redemptions proceeds. In addition, in the event that affiliates of the Investment Manager or the Investment Manager are Shareholders that have three-fourths or more of the Net Asset Value of any class or designation of Shares, such affiliates would be able to change the redemption rights of a minority of Shareholders holding Shares in the same class or designation without their consent. The variation of the redemption rights of all Shareholders could adversely affect the value of a non-consenting Shareholder's Shares if the value of the Fund's investments depreciate following the time such Shareholder would have redeemed all or a portion of its Shares, but was prevented from doing so by the new, more restrictive redemption rights.

#### *Contagion Risk Factor*

The Fund has the power to issue Shares in classes or designations. The Articles provide for the manner in which the liabilities are to be attributed across the various classes or designations (liabilities are to be attributed to the specific class or designation in respect of which the liability was incurred). However, the Fund is a single legal entity and there is no limited recourse protection for any class or designation. Accordingly, all of the assets of the Fund will be available to meet all of its liabilities regardless of the class or designation to which such assets or liabilities are attributable. In practice, cross-class or cross-designation liability is only expected to arise where liabilities referable to one class or designation are in excess of the assets referable to such class or designation and it is unable to meet all liabilities attributed to it. In such a case, the assets of the Fund attributable to other classes or designations may be applied to cover such liability excess and the value of the contributing classes or designations will be reduced as a result.

#### *Incentive Fee*

The Incentive Fee paid to the Investment Manager on investment gains may create an incentive for the Investment Manager to cause the Fund to make investments that are riskier or more speculative than would be the case if such fee was not paid. In addition, since the Incentive Fee will be calculated on a basis that includes unrealized appreciation of the Fund's net assets, such fee may be greater than if it were based solely on realized gains.

### *Requests for Information*

The Fund or any directors or agents domiciled in the Cayman Islands, may be compelled to provide information, including, but not limited to, information relating to the Subscriber, and where applicable the Subscriber's beneficial owners and controllers, subject to a request for information made by a regulatory or governmental authority or agency under applicable law; *e.g.*, by the Cayman Islands Monetary Authority, either for itself or for a recognised overseas regulatory authority, under the Monetary Authority Law (2018 Revision), or by the Tax Information Authority, under the Tax Information Authority Law (2017 Revision) or Reporting of Savings Income Information (European Union) Law (2014 Revision) and associated regulations, agreements, arrangements and memoranda of understanding. Disclosure of confidential information under such laws shall not be regarded as a breach of any duty of confidentiality and, in certain circumstances, the Fund, and any of its or their directors or agents, may be prohibited from disclosing that the request has been made.

### *Identity and Reporting of Beneficial Ownership; Withholding on Certain Payments.*

In order to avoid a US withholding tax of 30% on certain payments (including payments of gross proceeds) made with respect to certain actual and deemed US investments, the Fund has registered with the US Internal Revenue Service (the “**Service**”), and generally will be required to identify, and report information with respect to, certain direct and indirect US account holders (including debtholders and equityholders). The Cayman Islands has signed a Model 1B (non-reciprocal) inter-governmental agreement with the United States (the “**US IGA**”) to give effect to the foregoing withholding and reporting rules. So long as the Fund complies with the US IGA and the Cayman Islands enabling legislation, it will not be subject to the related US withholding tax.

A non-US investor in the Fund will generally be required to provide to the Fund information which identifies its direct and indirect US ownership. Under the US IGA, any such information provided to the Fund and certain financial information related to such investor's investment in the Fund will be shared with the Cayman Islands Tax Information Authority or its delegate (the “**Cayman TIA**”). The Cayman TIA will exchange the information reported to it with the Service annually on an automatic basis. A non-US investor that is a “foreign financial institution” within the meaning of Section 1471(d)(4) of the Internal Revenue Code will generally be required to timely register with the Service and agree to identify, and report information with respect to, certain of its own direct and indirect US account holders (including debtholders and equityholders). A non-US investor who fails to provide such information to the Fund or timely register and agree to identify, and report information with respect to, such account holders (as applicable) may be subject to the 30% withholding tax with respect to its share of any such payments attributable to actual and deemed US investments of the Fund, and the Board of Directors may take any action in relation to an investor's Shares or redemption proceeds to ensure that such withholding is economically borne by the relevant investor whose failure to provide the necessary information or comply with such requirements gave rise to the withholding. Shareholders should consult their own tax advisors regarding the possible implications of these rules on their investments in the Fund.

### *Restriction on Auditors' Liability.*

Cayman Islands law does not restrict the ability of auditors to limit their liability. Consequently, the engagement letter entered into between the Fund and the Auditors may contain such a limitation on liability provision as well as provisions indemnifying the Auditors in certain circumstances. An engagement letter containing similar terms may be entered into between the Fund and the auditor to the Fund.

### *Security Breaches and Disruptions*

In the ordinary course of business, the Fund, the Investment Manager and their service providers collect and store, on such parties' networks and/or on the networks of their third party vendors, sensitive data including the intellectual property, trading data and personally identifiable information of the Shareholders. The secure processing, maintenance and transmission of this information is critical to the Fund's operations. Despite the security measures implemented by the Fund, the Investment Manager and their service providers and/or vendors, such parties' information technology and infrastructure may be vulnerable to attacks by hackers and/or breaches as a result of employee error, malfeasance or other technological disruptions. These attacks or breaches may remain undetected for an extended period of time and could compromise such networks, resulting in the information stored therein being accessed, publicly disclosed, lost and/or stolen. Any such access, disclosure or loss of information may have legal ramifications (including legal claims or proceedings, liability under laws that protect the privacy of personal information and regulatory penalties under federal and/or state securities laws) and may result in the disclosure or misuse of confidential information concerning the Shareholders, cause reputational harm to the Investment Manager and/or the Fund and increase their respective costs. All of the foregoing potential consequences of an attack or breach could negatively impact the Fund and its Shareholders.

### *Reliance on Service Providers*

The Fund has retained service providers as disclosed in this Prospectus and may retain additional service providers at any time and from time to time. As the Fund has no employees and the majority of the members of the Board of Directors have all been appointed on a non-executive basis, the Fund is reliant on the performance of third-party service providers, including the Investment Manager, the Administrator, the Prime Brokers, Legal Counsel and the auditors and any other service provider to the Fund as described herein (the "**Service Providers**").

Each Shareholder's relationship in respect of its Shares is with the Fund only. Accordingly, absent a direct contractual relationship between the investor and the relevant Service Provider, no Shareholder will have any contractual claim against any Service Provider for any reason related to its services to the Fund. Instead, the proper plaintiff in an action in respect of which a wrongdoing is alleged to have been committed against the Fund by the relevant Service Provider is, prima facie, the Fund.

### *Handling of Mail*

Mail addressed to the Fund and received at its registered office will be forwarded unopened to the forwarding address supplied by the Investment Manager to be dealt with. None of the Fund, its directors, officers, advisors or service providers (including the organization which provides registered office services in the Cayman Islands) will bear any responsibility for any delay howsoever caused in mail reaching the forwarding address. In particular the Directors will only receive, open or deal directly with mail which is addressed to them personally (as opposed to mail which is addressed just to the Fund).

The foregoing list of risk factors does not purport to be a complete enumeration or explanation of the risks involved in an investment in the Fund. Prospective Shareholders should read this entire Prospectus and the Articles and consult with their own advisers before deciding whether to invest in the Fund.

## **FUND ADMINISTRATION**

SS&C Guernsey Limited (the “**Administrator**”) serves as the administrator of the Fund and performs certain day-to-day administrative services on the Fund’s behalf. A description of the material terms of the services agreement between the Fund and the Administrator is set forth in “General—Material Contracts” below. In addition, an affiliate of the Administrator will provide certain middle- and back-office services and technology to the Fund.

The Administrator does not act as an offeror or a guarantor of the Shares. The Administrator shall have no obligation to review, monitor or otherwise ensure compliance by the Fund with the investment policies, restrictions or guidelines applicable to the Fund and therefore will not be liable for any breach thereof. Moreover, the Administrator is not responsible for any of the trading or investment decisions of the Fund (all of which are made by the Investment Manager), or the effect of such trading decisions on the performance of the Fund.

## **PRIME BROKERS AND CUSTODIANS TO THE FUND**

The Fund has appointed each of Barclays Capital Securities Limited, Barclays Capital Inc., Goldman Sachs & Co. LLC and Morgan Stanley and Co. LLC as a prime broker and custodian to the Fund and has appointed J.P. Morgan Securities plc as a clearing broker to the Fund (each, a “**Prime Broker**”).

The Fund reserves the right, in its discretion, without prior notice to, or receiving consent from, existing Shareholders, to change the prime brokerage, clearing broker and custodian arrangements described herein including, but not limited to, the appointment of additional or alternative prime brokers, clearing brokers and/or custodians. The allocation of assets between each of the Prime Brokers is determined by the nature and type of the particular trades undertaken and by the particular jurisdiction in which the trade is made.

Each of the Prime Brokers is a service provider and none of them are responsible for the preparation of this Prospectus or the activities of the Fund and therefore none of them accept any responsibility for the accuracy of any information contained in this Prospectus.

### **Barclays Capital Securities Limited**

Barclays Capital Securities Limited (“**BCSL**”) will provide prime brokerage services to the Fund under the terms of a Prime Brokerage Agreement entered into between the Fund and BCSL dated January 11, 2017 (the “**BCSL Agreement**”). A description of the material terms of the BCSL Agreement is set forth in “General—Material Contracts” below.

BCSL is authorized by the Prudential Regulation Authority (“**PRA**”) and regulated by the FCA and the Prudential Regulation Authority. It has financial resources in excess of US\$200 million and is a limited liability, wholly-owned subsidiary of Barclays Bank PLC (“**BBPLC**”). BBPLC has a long term debt rating of A- with S&P, A2 with Moody’s and A with Fitch and a short term debt rating of A-2 with S&P, P-1 with Moody’s and F1 with Fitch. A description of the material terms of the BCSL Agreement is set forth in “General—Material Contracts” below.

### **Barclays Capital Inc.**

The Fund has appointed Barclays Capital Inc. (“**BCI**”), a US broker-dealer registered with, and regulated by, the SEC, to provide prime brokerage services to the Fund under the terms of the Prime Brokerage Services Agreement (the “**BCI Agreement**”) dated January 26, 2017, entered into between the Fund and BCI for itself and as agent for certain affiliates and related entities. These services may include the provision to the Fund of margin, execution, settlement and other products or services and otherwise transacting business with the Fund. The Fund may also utilise BCI, BCI affiliates, and other brokers and dealers for the purposes of executing transactions for the Fund. A description of the material terms of the BCI Agreement is set forth in “General—Material Contracts” below.

### **Goldman Sachs & Co. LLC**

The Fund intends to appoint Goldman Sachs & Co. LLC and its affiliates (“**GS**”) as prime broker and custodian to the Fund pursuant to an account agreement and prime brokerage supplement to the account agreement (together the “**GS Prime Brokerage Agreement**”).

GS is primarily regulated in the conduct of its brokerage business by the SEC and the Financial Industry Regulatory Authority. It has financial resources in excess of US\$200 million. In its capacity as prime broker, GS will execute purchase and sale orders as directed by the Fund and clear and settle

such orders and orders executed by other brokers (on the basis of payment against delivery). In addition, GS may enter into off-exchange contracts with the Fund as principal. GS will also provide the Fund with short selling facilities.

A description of the material terms of the GS Prime Brokerage Agreement is set forth in “General—Material Contracts” below.

### **J.P. Morgan Securities plc**

The Fund has appointed J.P. Morgan Securities plc (“**JPMS plc**”) pursuant to a Prime Cash Margin Agreement between JPMS plc (on its own behalf and on behalf of certain of its affiliates) and the Fund (the “**JPMS Agreement**”) dated March 3, 2017. Pursuant to the JPMS Agreement, JPMS plc will provide cash collateral and margining services. JPMS plc is authorized by the PRA and regulated in the conduct of investment business by the FCA and the PRA. A description of the material terms of the JPMS Agreement is set forth in “General—Material Contracts” below.

### **Morgan Stanley and Co. LLC**

The Fund has appointed Morgan Stanley and Co. LLC (“**MS**”), a US broker-dealer registered with, and regulated by, the SEC, to provide prime brokerage services to the Fund under the terms of the Customer Prime Broker Account Agreement (the “**MS Prime Broker Agreement**”) dated January 20, 2017, entered into between the Fund and MS for itself and as agent for certain affiliates and related entities. These services may include the provision to the Fund of margin financing, clearing, custody, settlement, stock borrowing and foreign exchange facilities. The Fund may also utilise MS, MS affiliates and other brokers and dealers for the purposes of executing transactions for the Fund. A description of the material terms of the MS Prime Broker Agreement is set forth in “General—Material Contracts” below.

## TAX ASPECTS

The discussion herein is for informational purposes only and furthermore only pertains to certain aspects of investments in Shares. 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.

### **Cayman Islands**

The Government of the Cayman Islands will not, under existing legislation, impose any income, corporate or capital gains tax, estate duty, inheritance tax, gift tax or withholding tax upon the Fund or its shareholders. The Cayman Islands are not party to a double tax treaty with any country that is applicable to any payments made to or by the Fund.

The Fund has received an undertaking from the Governor-in-Cabinet of the Cayman Islands that, in accordance with section 6 of the Tax Concessions Law (2018 Revision) of the Cayman Islands, for a period of 20 years from the date of the undertaking, no law which is enacted in the Cayman Islands imposing any tax to be levied on profits, income, gains or appreciations will apply to the Fund or its operations and, in addition, that no tax to be levied on profits, income, gains or appreciations or which is in the nature of estate duty or inheritance tax will be payable (i) on or in respect of the shares, debentures or other obligations of the Fund or (ii) by way of the withholding in whole or in part of a payment of dividend or other distribution of income or capital by the Fund to its members or a payment of principal or interest or other sums due under a debenture or other obligation of the Fund.

### **Automatic Exchange of Financial Account Information**

The Cayman Islands has signed an inter-governmental agreement to improve international tax compliance and the exchange of information with the United States (the “US IGA”). The Cayman Islands has also signed, along with over 100 other countries, a multilateral competent authority agreement to implement the Organisation for Economic Cooperation and Development’s Standard for Automatic Exchange of Financial Account Information – Common Reporting Standard (the “CRS” and together with the US IGA, “AEOI”).

The Cayman Islands has issued regulations to give effect to the AEOI regime (collectively, the “AEOI Regulations”). Pursuant to the AEOI Regulations, the Cayman TIA has published guidance notes on the application of the US IGA and the CRS.

All Cayman Islands “Financial Institutions” are required to comply with the registration, due diligence and reporting requirements of the AEOI Regulations, unless they are able to rely on an exemption that allows them to become a “Non-Reporting Financial Institution” (as defined in the relevant AEOI Regulations) with respect to one or more of the AEOI regimes, in which case only the registration requirement would apply under the CRS. The Fund does not propose to rely on any reporting exemption and therefore intends to comply with the requirements of the AEOI Regulations.

The AEOI Regulations require the Fund to, amongst other things, (i) register with the Service to obtain a Global Intermediary Identification Number (in the context of the US IGA only); (ii) register with the Cayman TIA, and thereby notify the Cayman TIA of its status as a “Reporting Financial Institution”; (iii) adopt and implement written policies and procedures setting out how it will address

its obligations under the CRS; (iv) conduct due diligence on its accounts to identify whether any such accounts are considered “Reportable Accounts”; and (v) annually report information on such Reportable Accounts to the Cayman TIA. The Cayman TIA will transmit the information reported to it to the overseas fiscal authority relevant to a Reportable Account (e.g., the Service in the case of a US Reportable Account) annually on an automatic basis.

For information on the related US tax withholding and reporting regime, see also the section entitled “*Identity and Reporting of Beneficial Ownership; Withholding on Certain Payments*” below.

By investing in the Fund and/or continuing to invest in the Fund, investors shall be deemed to acknowledge that further information may need to be provided to the Fund, the Fund’s compliance with the AEOI Regulations may result in the disclosure of investor information, and investor information may be exchanged with overseas fiscal authorities. Where an investor fails to provide any requested information (regardless of the consequences), the Fund may be obliged, and/or reserves the right to take any action and/or pursue all remedies at its disposal including, without limitation, compulsory redemption of the investor concerned and/or closure of the investor’s account. In accordance with Cayman TIA issued guidance, the Fund is required to close an investor’s account if a self-certification is not obtained within 90 days of account opening.

### **Hong Kong SAR**

In general, exposure to Hong Kong profits tax will only arise if the Fund is treated as carrying on a trade, profession or business in Hong Kong either on its own account or through another person in Hong Kong such as CS HK. If the Fund is treated as carrying on a trade, profession or business in Hong Kong, a liability to profits tax, the rate of which is currently 16.5%, will only exist in respect of any profits which arise in or are derived from Hong Kong from that trade, profession or business.

Gains from sale of capital assets are not taxable in Hong Kong but it is always difficult for an investment fund to establish a non-taxable capital gain claim. Profits that are considered arising in or derived from Hong Kong include profits from disposal of securities listed on and executed through the Hong Kong Stock Exchange and from unlisted securities where the purchase or sale contracts are effected in Hong Kong. The term “effected” in this context does not just refer to the execution of the contracts but also includes the negotiation and all steps leading to the final conclusion of the contracts. Interest income arising from certain debt instruments where the loan funds were first made available to the issuer in Hong Kong may also be subject to profits tax. Interest on local bank deposits is statutorily exempt provided that certain conditions are fulfilled. Dividend income is generally not taxable for Hong Kong profits tax purposes.

There is no withholding tax on interest or dividends derived from Hong Kong assets.

Under the Revenue (Profits Tax Exemption for Offshore Funds) Ordinance 2006 (the “**Ordinance**”), profits earned by funds resident outside Hong Kong (“**Offshore Funds**”) are exempted from Hong Kong profits tax provided that certain conditions are met. The Fund should be exempted from potential Hong Kong profits tax liability in respect of certain transactions, provided that the specific conditions under the Ordinance are met.

These conditions, as they pertain to the Fund, include:

1. the Fund must be a “non-resident” of Hong Kong. The Fund is regarded as a non-resident of Hong Kong if its “central management and control” is exercised outside Hong Kong;

2. the Fund's profits are derived from "specified transactions" or "incidental transactions" as defined in the Inland Revenue Ordinance. "Specified transactions" include "transaction in securities"; "transaction in futures contracts"; "transaction in foreign exchange contracts"; "transaction consisting of the making of a deposit other than by way of money-lending business"; "transaction in foreign currencies"; and "transaction in exchange-traded commodities." The meaning of "securities" does not include shares or debentures (or rights, options or interests in, or in respect of, such shares or debentures) of a "private company" within the meaning of section 11 of the Companies Ordinance (Cap 622);
3. the "specified transactions" have been carried out through or arranged by a "specified person" *i.e.*, an authorized financial institution registered with the Securities and Futures Ordinance (the "SFO") in Hong Kong or a corporation holding any of Types 1 to 9 licenses issued by the Securities and Futures Commission under Part V of the SFO; and
4. the Fund must not carry on any trade, profession or business in Hong Kong involving any transactions other than "specified transactions" or "incidental transactions" in the same year of assessment.

It is the intention to conduct the affairs of the Fund as far as possible to comply with the conditions for exemption from profits tax.

### **United Kingdom**

Since the Fund is an AIF (as defined in the AIFM Directive) located in a country outside the United Kingdom (and is not an "excluded entity" for purposes of the relevant United Kingdom legislation), the Fund should not be treated as resident in the United Kingdom for United Kingdom taxation purposes. Accordingly, and provided that the Fund does not carry on a trade in the United Kingdom, except in circumstances where there is available an exemption from United Kingdom taxation of income and gains arising from such a trade, the Fund should not be liable to United Kingdom income tax or corporation tax (other than in certain cases United Kingdom income tax levied by withholding on United Kingdom source income).

Although the Fund may be regarded for United Kingdom taxation purposes as carrying on a trade in the United Kingdom through the agency of G10 Capital or one or more UK-based affiliates of the Investment Manager, it is intended that the affairs of the Fund, the Investment Manager, G10 Capital (as regards to the Fund) and any such UK-based affiliate of the Investment Manager will be organized in such a way as to meet the conditions of the United Kingdom's statutory "investment manager exemption", so that the Fund is not liable to United Kingdom tax on its income and gains arising from such a trade (other than potential United Kingdom withholding taxes, as described above). It cannot, however, be guaranteed that the conditions of this exemption will at all times be met.

### **United States**

The discussion herein is for informational purposes only and is a discussion primarily of the US tax consequences to prospective investors. Each prospective investor 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 investor. 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 has not sought a ruling from the Service or any other US federal, state or local agency with respect to any of the tax issues affecting the Fund, nor has it obtained an opinion of counsel with respect to any tax issues.

The following is a summary of certain potential US federal tax consequences which may be relevant to prospective investors. The discussion contained herein is not a full description of the complex tax rules involved and is based upon existing laws, judicial decisions and administrative regulations, rulings and practices, all of which are subject to change, retroactively as well as prospectively. A decision to invest in the Fund should be based upon an evaluation of the merits of the trading program, and not upon any anticipated US tax benefits.

### *US Trade or Business*

Section 864(b)(2) of the Internal Revenue Code provides a safe harbor (the “**Safe Harbor**”) applicable to a non-US corporation (other than a dealer in securities) that engages in the US in trading securities (including contracts or options to buy or sell securities) for its own account pursuant to which such non-US corporation will not be deemed to be engaged in a US trade or business. The Safe Harbor also provides that a non-US corporation (other than a dealer in commodities) that engages in the US in trading commodities for its own account is not deemed to be engaged in a US trade or business if “the commodities are of a kind customarily dealt in on an organized commodity exchange and if the transaction is of a kind customarily consummated at such place.” Pursuant to proposed regulations, a non-US taxpayer (other than a dealer in stocks, securities, commodities or derivatives) that effects transactions in the United States in derivatives (including (i) derivatives based upon stocks, securities, and certain commodities and currencies, and (ii) certain notional principal contracts based upon an interest rate, equity, or certain commodities and currencies) for its own account is not deemed to be engaged in a United States trade or business. Although the proposed regulations are not final, the Service has indicated in the preamble to the proposed regulations that for periods prior to the effective date of the proposed regulations, taxpayers may take any reasonable position with respect to the application of Section 864(b)(2) of the Internal Revenue Code to derivatives, and that a position consistent with the proposed regulations will be considered a reasonable position.

The Investment Manager intends to conduct the businesses of the Fund (which intends to operate as an association taxable as a corporation) in a manner so as to meet the requirements of the Safe Harbor and believes that the transactions under its investment program should qualify for the Safe Harbor. There can be no assurance, however, that the Service will agree that each of such transactions qualifies for the Safe Harbor. If certain of the Fund’s activities were determined not to be of the type described in the Safe Harbor, the Fund’s activities may constitute a US trade or business, in which case the Fund would be subject to US income and branch profits tax on its share of the income and gain from those activities and related activities, if any.

Even if the Fund’s securities trading activity does not constitute a US trade or business, gains realized from the sale or disposition of stock or securities (other than debt instruments with no equity component) of US Real Property Holding Corporations (as defined in Section 897 of the Internal Revenue Code) (“**USRPHCs**”), including stock or securities of certain Real Estate Investment Trusts (“**REITs**”), will be generally subject to US income tax on a net basis. However, a principal exception to this rule of taxation may apply if such USRPHC has a class of stock which is regularly traded on an established securities market and the Fund generally did not hold (and was not deemed to hold under certain attribution rules) more than 5% (10% in the case of a REIT) of the value of a regularly traded class of stock or securities of such USRPHC at any time during the five year period ending on the date of disposition.<sup>2</sup> Moreover, if the Fund were deemed to be engaged in a US trade or business as a result

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<sup>2</sup> The Fund will also be exempt from tax on dispositions of REIT shares, whether or not those shares are regularly traded, if less than 50% of the value of such shares is held, directly or indirectly, by non-US

of owning a limited partnership interest in a US business partnership or a similar ownership interest, income and gain realized from that investment would be subject to US income and branch profits tax.

### *US Withholding Tax*

In general, under Section 881 of the Internal Revenue Code, a non-US corporation which does not conduct a US trade or business is nonetheless subject to tax at a flat rate of 30% (or lower tax treaty rate) on the gross amount of certain US source income which is not effectively connected with a US trade or business, generally payable through withholding. Income subject to such a flat tax rate is of a fixed or determinable annual or periodic nature, including dividends, certain “dividend equivalent payments” (including, without limitation, payments made under certain notional principal contracts that reference a US dividend paying equity) and certain interest income. In some cases, dividend income subject to such tax can be imputed to holders of certain equity interests or equity derivative instruments, such as options or convertible debt, as a result of an adjustment by the issuing corporation to the exercise or conversion ratio, or as a result of other corporate action which has the effect of increasing a holder’s interest in the earnings and profits, or assets of the issuing corporation. There is presently no tax treaty between the US and the Cayman Islands.

Certain types of income are specifically exempted from the 30% tax and thus withholding is not required on payments of such income to a non-US corporation. The 30% tax does not apply to US source capital gains (whether long or short-term) or to interest paid to a non-US corporation on its deposits with US banks. The 30% tax also does not apply to interest which qualifies as portfolio interest. The term “portfolio interest” generally includes interest (including original issue discount but not including contingent interest) on an obligation in registered form which has been issued after July 18, 1984 and with respect to which the person who would otherwise be required to deduct and withhold the 30% tax receives the required statement that the beneficial owner of the obligation is not a US person within the meaning of the Internal Revenue Code.

However, interest will not qualify for the “portfolio interest” exemption, and will be subject to a 30% withholding tax, if the interest is paid to a non-US person by a corporation in which such non-US person owns at least 10% of the total combined voting power, or by a partnership in which such non-US person owns at least 10% of the capital or profits interest.

The US tax treatment of any rebate of fees made by the Investment Manager to a non-US Person is not entirely clear. A US withholding tax may be imposed on such a rebate. Non-US Persons are urged to consult their own tax advisors concerning the US tax consequences of an investment in the Fund and the receipt of such payments.

### *Identity and Reporting of Beneficial Ownership; Withholding on Certain Payments*

In order to avoid a US withholding tax of 30% on certain payments (including payments of gross proceeds) made with respect to certain actual and deemed US investments, the Fund has registered with the Service and generally will be required to identify, and report information with respect to,

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persons at all times during the five-year period ending on the date of disposition. However, even if the disposition of REIT shares would be exempt from tax on a net basis, distributions from a REIT (whether or not such REIT is a USRPHC), to the extent attributable to the REIT’s disposition of interests in US real property, are subject to tax on a net basis when received by the Fund and may be subject to the branch profits tax. Such net basis tax and branch profits tax would not apply to distributions from certain publicly traded REITs made to non-US shareholders owning 10% or less of the REIT’s shares; instead, a 30% gross withholding tax would apply (see “US Withholding Tax” below).

certain direct and indirect US account holders (including debtholders and equityholders). The Cayman Islands has signed a Model 1B (non-reciprocal) inter-governmental agreement with the United States (the “US IGA”) to give effect to the foregoing withholding and reporting rules. So long as the Fund complies with the US IGA and the Cayman Islands enabling legislation, it will not be subject to the related US withholding tax.

A non-US investor in the Fund will generally be required to provide to the Fund information which identifies its direct and indirect US ownership. Under the US IGA, any such information provided to the Fund and certain financial information related to such investor’s investment in the Fund will be shared with the Cayman Islands Tax Information Authority or its delegate (the “Cayman TIA”). The Cayman TIA will exchange the information reported to it with the Service annually on an automatic basis. A non-US investor that is a “foreign financial institution” within the meaning of Section 1471(d)(4) of the Internal Revenue Code will generally be required to timely register with the Service and agree to identify, and report information with respect to, certain of its own direct and indirect US account holders (including debtholders and equityholders). A non-US investor who fails to provide such information to the Fund or timely register and agree to identify, and report information with respect to, such account holders (as applicable) may be subject to the 30% withholding tax with respect to its share of any such payments attributable to actual and deemed US investments of the Fund, and the Board of Directors may take any action in relation to an investor’s Shares or redemption proceeds to ensure that such withholding is economically borne by the relevant investor whose failure to provide the necessary information or comply with such requirements gave rise to the withholding. Shareholders should consult their own tax advisors regarding the possible implications of these rules on their investments in the Fund.

Non-US Shareholders may also be required to make certain certifications to the Fund as to the beneficial ownership of the Shares and the non-US status of such beneficial owner, in order to be exempt from US information reporting and backup withholding on a redemption of Shares.

#### *Redemption of Shares*

Gain realized by Shareholders who are not US persons within the meaning of the Internal Revenue Code (“**non-US Shareholders**”) upon the sale, exchange or redemption of Shares held as a capital asset should generally not be subject to US federal income tax provided that the gain is not effectively connected with the conduct of a trade or business in the US. However, in the case of nonresident alien individuals, such gain will be subject to the 30% (or lower tax treaty rate) US tax if (i) such person is present in the US for 183 days or more during the taxable year (on a calendar year basis unless the nonresident alien individual has previously established a different taxable year) and (ii) such gain is derived from US sources.

Generally, the source of gain upon the sale, exchange or redemption of Shares is determined by the place of residence of the Shareholder. For purposes of determining the source of gain, the Internal Revenue Code defines residency in a manner that may result in an individual who is otherwise a nonresident alien with respect to the US being treated as a US resident only for purposes of determining the source of income. Each potential individual Shareholder who anticipates being present in the US for 183 days or more (in any taxable year) should consult his tax advisor with respect to the possible application of this rule.

Gain realized by a non-US Shareholder engaged in the conduct of a US trade or business will be subject to US federal income tax upon the sale, exchange or redemption of Shares if such gain is effectively connected with its US trade or business.

### *Tax-Exempt US Persons*

The term “**Tax-Exempt US Person**” means a US person within the meaning of the Internal Revenue Code that is exempt from payment of US federal income tax. Generally, a Tax-Exempt US Person is exempt from federal income tax on certain categories of income, such as dividends, interest, capital gains and similar income realized from securities investment or trading activity. This type of income is exempt even if it is realized from securities trading activity which constitutes a trade or business. This general exemption from tax does not apply to the “unrelated business taxable income” (“**UBTI**”) of a Tax-Exempt US Person. Generally, except as noted above with respect to certain categories of exempt trading activity, UBTI includes income or gain derived from a trade or business, the conduct of which is substantially unrelated to the exercise or performance of the Tax-Exempt US Person’s exempt purpose or function. UBTI also includes (i) income derived by a Tax-Exempt US Person from debt-financed property and (ii) gains derived by a Tax-Exempt US Person from the disposition of debt-financed property.

In 1996, Congress considered whether, under certain circumstances, income derived from the ownership of the shares of a non-US corporation should be treated as UBTI to the extent that it would be so treated if earned directly by the shareholder. Subject to a narrow exception for certain insurance company income, Congress declined to amend the Internal Revenue Code to require such treatment. Accordingly, based on the principles of that legislation, a Tax-Exempt US Person investing in a non-US corporation such as the Fund is not expected to realize UBTI with respect to an unleveraged investment in Shares. The US tax treatment of any rebate of fees made by the Investment Manager to a Tax-Exempt US Person is not entirely clear. Tax-Exempt US Persons are urged to consult their own tax advisors concerning the US tax consequences of an investment in the Fund and the receipt of such payments.

There are special considerations which should be taken into account by certain beneficiaries of charitable remainder trusts that invest in the Fund. Charitable remainder trusts should consult their own tax advisors concerning the tax consequences of such an investment on their beneficiaries.

### *US Persons that are not Tax-Exempt US Persons*

The Fund will be classified as a passive foreign investment company (“**PFIC**”) for federal income tax purposes. In addition, it is possible that the Fund will be a controlled foreign corporation (“**CFC**”). Under the PFIC rules, US persons within the meaning of the Internal Revenue Code that are not Tax-Exempt US Persons (“**Non Tax-Exempt US Persons**”) are subject to US federal income taxation with respect to their investment in the Fund under one of three methods. Under the “interest charge” method, a Non Tax-Exempt US Person is generally liable for tax (at ordinary income rates) plus an interest charge reflecting the deferral of tax liability (which is not deductible by an individual) when it pledges or sells its Shares at a gain or receives certain distributions from the Fund. Furthermore, the estate of a deceased individual Non Tax-Exempt US Person will be denied a tax-free “step-up” in the tax basis to fair market value for Shares held by that deceased individual that were subject to the “interest charge” method.

Alternatively, a Non Tax-Exempt US Person can make an election under the PFIC rules to have the Fund treated as a qualified electing fund (“**QEF**”) with respect to its Shares. A Shareholder that has made the QEF election, which may only be revoked with the consent of the Service, is generally taxed currently on its proportionate share of the ordinary earnings and net long-term capital gains of the Fund, whether or not the earnings or gains are distributed. In addition, Fund expenses, if any, that are properly capitalized will not be deductible for purposes of calculating the income included as a result of the QEF election. If the PFIC realizes a net loss in a particular year, under the QEF rules, that loss

will not pass through to the Non Tax-Exempt US Person nor will it be netted against the income of any other PFIC with respect to which a QEF election has been made. Moreover, the loss also cannot be carried forward to reduce inclusions of income with respect to the PFIC in subsequent years. Instead, a Non Tax-Exempt US Person would only realize the loss in calculating its gain or loss when it disposes of its Shares. A Non Tax-Exempt US Person should also note that under the QEF rules, it may be taxed on income related to unrealized appreciation in the PFIC's assets attributable to periods prior to the investor's investment in the PFIC if such amounts are recognized by the PFIC after the investor acquires shares in the PFIC. Moreover, any net short-term capital gains of the PFIC will not pass through as capital gains, but will be taxed as ordinary income. In order for a Shareholder to be eligible to make a QEF election, the Fund would have to agree to provide certain tax information to such Shareholder on an annual basis. The Fund intends to provide such information, at the applicable investor's expense.

Finally, if the Fund's Shares are considered "marketable", a Non Tax-Exempt US Person would be able to elect to mark its Shares to market at the end of every year. Any such mark to market gain or loss would be considered ordinary. Ordinary mark to market losses would only be allowed to the extent of prior mark to market gains. However, as a result of the definition of "marketable" adopted in regulations, the Fund does not anticipate that the Shares would be eligible for the mark to market election, except with respect to investments in the Fund by certain types of entities, including regulated investment companies.

Even though the PFIC rules apply, if the Fund is also a CFC, other rules could apply in addition to the PFIC rules that could cause a Non Tax-Exempt US Person to (i) recognize taxable income prior to his or her receipt of distributable proceeds or (ii) recognize ordinary taxable income that would otherwise have been treated as long-term or short-term capital gain. Furthermore, the calculation of (a) "net investment income" for purposes of the 3.8% Medicare tax and (b) taxable income for purposes of the regular income tax may be different with respect to certain income, including income from PFICs and CFCs. In addition, the Medicare tax and the regular income tax may be due in different taxable years with respect to the same income. The application of the Medicare tax (and the availability of particular elections) is quite complex. Investors are urged to consult their tax advisors regarding the consequences of these rules in respect of their investments.

INASMUCH AS NON TAX-EXEMPT US PERSONS ARE SUBJECT TO POTENTIALLY ADVERSE TAX CONSEQUENCES IF THEY INVEST IN THE FUND AND THE FOREGOING SUMMARY IS ONLY A BRIEF OVERVIEW OF HIGHLY COMPLEX RULES, SUCH POTENTIAL INVESTORS ARE STRONGLY URGED TO CONSULT WITH THEIR OWN TAX ADVISORS BEFORE INVESTING IN THE FUND.

#### *Reporting Requirements for US Persons*

Any United States person within the meaning of the Internal Revenue Code who holds shares in a PFIC such as the Fund (other than certain Tax-Exempt US Persons for whom an investment in such PFIC does not generate UBTI) is generally required to report its investment in the PFIC on an annual basis. Furthermore, such persons who are (i) individuals or (ii) certain closely held US entities where at least 50% of such entities' assets are, or at least 50% of their gross income comes from, passive assets such as an investment in the Fund, will generally be required to make additional tax filings if their aggregate investment in certain non-US financial assets (including interests in entities such as the Fund) exceeds \$50,000. Such filing requirements may be extended to additional US entities who are deemed to be formed or availed for the purpose of making investments in non-US entities such as the Fund.

Any US person within the meaning of the Internal Revenue Code owning 10% or more (taking certain attribution rules into account) of either the total combined voting power or total value of all classes of the shares (the “**10% Amount**”) of a non-US corporation such as the Fund will likely be required to file an information return with the Service containing certain disclosure concerning the filing shareholder, other shareholders and the corporation. Any US person within the meaning of the Internal Revenue Code who within such US person’s tax year (A) acquires shares in a non-US corporation such as the Fund, so that either (i) without regard to shares already owned, such US person acquires the 10% Amount or (ii) when added to shares already owned by the US person, such US person’s total holdings in the non-US corporation reaches the 10% Amount or (B) disposes of shares in a non-US corporation so that such US person’s total holdings in the non-US corporation falls below the 10% Amount (in each such case, taking certain attribution rules into account), will likely be required to file an information return with the Service containing certain disclosure concerning the filing shareholder, other shareholders and the corporation. The Fund has not committed to provide all of the information about the Fund or its shareholders needed to complete these returns. In addition, a US person within the meaning of the Internal Revenue Code that transfers cash to a non-US corporation such as the Fund will likely be required to report the transfer to the Service if (i) immediately after the transfer, such person holds (directly, indirectly or by attribution) at least 10% of the total voting power or total value of such corporation or (ii) the amount of cash transferred by such person (or any related person) to such corporation during the twelve-month period ending on the date of the transfer exceeds US\$100,000.

Certain US persons (“**potential filers**”) who have an interest in a foreign financial account during a calendar year are generally required to file FinCEN Form 114 (an “**FBAR**”) with respect to such account. Failure to file a required FBAR may result in civil and criminal penalties. Under existing regulatory guidance, potential filers who do not own (directly or indirectly) more than 50% of the voting power or total value of the shares of the Fund, generally are not obligated to file an FBAR with respect to an investment in the Fund. However, potential filers should consult their own advisors regarding the current status of this guidance.

Furthermore, certain US persons within the meaning of the Internal Revenue Code may have to file Form 8886 (“**Reportable Transaction Disclosure Statement**”) with their US tax return, and submit a copy of Form 8886 with the Office of Tax Shelter Analysis of the Service if the Fund engages in certain “reportable transactions” within the meaning of US Treasury Regulations. If the Service designates a transaction as a reportable transaction after the filing of a reporting Shareholder’s tax return for the year in which the Fund or such reporting Shareholder participated in the transaction, the reporting Shareholder may have to file Form 8886 with respect to that transaction within 90 days after the Service makes the designation. Shareholders required to file this report include a US person within the meaning of the Internal Revenue Code if either (1) the Fund is treated as a “controlled foreign corporation” and such US person owns a 10% voting interest or, for tax years beginning after 2017, 10% of the total value of the Fund’s shares or (2) such US person owns 10% (by vote or value) of the Fund and makes a QEF election with respect to the Fund. In certain situations, there may also be a requirement that a list be maintained of persons participating in such reportable transactions, which could be made available to the Service at its request. Moreover, if a US person within the meaning of the Internal Revenue Code recognizes a loss upon a disposition of Shares, such loss could constitute a “reportable transaction” for such Shareholder, and such Shareholder would be required to file Form 8886. A significant penalty is imposed on taxpayers who fail to make the required disclosure. The maximum penalty is US\$10,000 for natural persons and US\$50,000 for other persons (increased to US\$100,000 and US\$200,000, respectively, if the reportable transaction is a “listed” transaction). Shareholders who are US persons within the meaning of the Internal Revenue Code (including Tax-

Exempt US Persons) are urged to consult their own tax advisors concerning the application of these reporting obligations to their specific situations and the penalty discussed above.

#### *Estate and Gift Taxes*

Individual holders of Shares who are neither present or former US citizens nor US residents (as determined for US estate and gift tax purposes) are not subject to US estate and gift taxes with respect to their ownership of such Shares.

THE TAX AND OTHER MATTERS DESCRIBED IN THIS PROSPECTUS DO NOT CONSTITUTE, AND SHOULD NOT BE CONSIDERED AS, LEGAL OR TAX ADVICE TO PROSPECTIVE INVESTORS.

#### **Other Jurisdictions**

Interest, dividend and other income realized by the Fund, and capital gains realized, or gross sale or disposition proceeds received, on the sale of securities of issuers, may be subject to withholding and other taxes levied by the jurisdiction in which the income is sourced. It is impossible to predict the rate of tax the Fund will pay since the amount of the assets to be invested in various countries and the ability of the Fund to reduce such taxes, are not known.

#### **General**

The receipt of dividends (if any) by Shareholders, the redemption or transfer of Shares and any distribution on a winding-up of the Fund may result in a tax liability for the Shareholders according to the tax regime applicable in their various countries of residence, citizenship or domicile. Shareholders resident in or citizens of certain countries which have anti-offshore fund legislation may have a current liability to tax on the undistributed income and gains of the Fund. The Board of Directors, the Fund and each of the Fund's agents have no liability in respect of the individual tax affairs of Shareholders.

#### **Future Changes In Applicable Law**

The foregoing description of Cayman Islands, United States, Hong Kong and United Kingdom income tax consequences of an investment in and the operations of the Fund is based on laws and regulations which are subject to change through legislative, judicial or administrative action. Other legislation could be enacted that would subject the Fund to income taxes or subject shareholders to increased income taxes.

#### **Other Taxes**

Prospective Shareholders should consult their own counsel regarding tax laws and regulations of any other jurisdiction which may be applicable to them.

## REGULATORY MATTERS

### **Cayman Islands**

The Fund holds a mutual fund licence under section 4(1)(a) of the Mutual Funds Law (2019 Revision) of the Cayman Islands (the “**Mutual Funds Law**”).

The Cayman Islands Monetary Authority (the “**Authority**”) has supervisory and enforcement powers to ensure compliance with the Mutual Funds Law. Regulation under the Mutual Funds Law entails the filing of prescribed details and audited accounts annually with the Authority. As a regulated mutual fund, the Authority may at any time instruct the Fund to have its accounts audited and to submit them to the Authority within such time as the Authority specifies. Failure to comply with these requests by the Authority may result in substantial fines on the part of the Directors and may result in the Authority applying to the court to have the Fund wound up.

The Fund will not, however, be subject to supervision in respect of its investment activities or the constitution of the Fund’s portfolio by the Authority or any other governmental authority in the Cayman Islands, although the Authority does have power to investigate the activities of the Fund in certain circumstances. Neither the Authority nor any other governmental authority in the Cayman Islands has commented upon or approved the terms or merits of this Prospectus. There is no investment compensation scheme available to investors in the Cayman Islands.

The Authority may take certain actions if it is satisfied that a regulated mutual fund is or is likely to become unable to meet its obligations as they fall due or is carrying on or is attempting to carry on business or is winding up its business voluntarily in a manner that is prejudicial to its investors or creditors. The powers of the Authority include the power to require the substitution of Directors, to appoint a person to advise the Fund on the proper conduct of its affairs or to appoint a person to assume control of the affairs of the Fund. There are other remedies available to the Authority including the ability to apply to court for approval of other actions.

A MUTUAL FUND LICENCE ISSUED BY THE CAYMAN ISLANDS MONETARY AUTHORITY DOES NOT CONSTITUTE AN OBLIGATION OF THE AUTHORITY TO ANY INVESTOR AS TO THE PERFORMANCE OR CREDITWORTHINESS OF THE RETAIL MUTUAL FUND.

FURTHERMORE, IN ISSUING SUCH A LICENCE THE AUTHORITY SHALL NOT BE LIABLE FOR ANY LOSSES OR DEFAULT OF THE RETAIL MUTUAL FUND OR FOR THE CORRECTNESS OF ANY OPINIONS OR STATEMENTS EXPRESSED IN ANY PROSPECTUS.

### **Guernsey**

The Fund is a registered open-ended collective investment scheme registered pursuant to the Protection of Investors (Bailiwick of Guernsey) Law, 1987, as amended and the Registered Collective Investment Schemes Rules 2018 issued by the Guernsey Financial Services Commission. The Guernsey Financial Services Commission, in granting registration, has not reviewed this Prospectus but has relied upon specific declarations provided by SS&C Guernsey Limited, the Fund’s designated administrator.

Neither the Guernsey Financial Services Commission nor the States of Guernsey take any responsibility for the financial soundness of the Fund or for the correctness of any of the statements made or opinions expressed with regard to it.

The Board of Directors has taken all reasonable care to ensure that the facts stated in this Prospectus are true and accurate in all material respects, and that there are no other facts the omission of which would make misleading any statement in the document, whether of facts or of opinion. All the Directors accept responsibility accordingly.

It should be remembered that the price of Fund interests and the income from them can go down as well as up.

If you are in any doubt about the contents of this Prospectus you should consult your accountant, legal or professional adviser or financial adviser.

### **European Economic Area**

For purposes of the AIFM Directive, the Investment Manager has been identified as the alternative investment fund manager or “AIFM” of the Fund.

G10 Capital is authorized and regulated by the FCA.

### **Hong Kong SAR**

CS HK is authorized and licensed by the Securities and Futures Commission of Hong Kong.

### **United States**

The Shares have not been and will not be registered under the US Securities Act of 1933, as amended (the “**Securities Act**”). The Class A Shares generally are being offered to non-US Persons in reliance on the exemption from registration provided by Regulation S under the Securities Act (“**Regulation S**”) promulgated under the Securities Act. Class B Shares may be offered to US Persons in reliance on an exemption from registration under the Securities Act and to US Persons that are a “qualified purchaser”, as defined in the US Investment Company Act of 1940, as amended (the “**Company Act**”), or a “knowledgeable employee”, as defined under Rule 3c-5 of the Company Act. The Shares may not be transferred or resold except with the approval of the Investment Manager, in its discretion, and unless registered under the Securities Act or pursuant to an exemption from such registration. The Investors have no right to require registration of Shares of the Fund, and the Fund is under no obligation to cause an exemption to be available.

The Fund is not registered as an investment company under the Company Act.

Neither Sub-Investment Manager is registered with the SEC as an investment adviser under the Advisers Act, but either may register in the future.

### **US Federal Banking Laws and the Volcker Rule**

The Credit Suisse Group (including the Investment Manager) is subject to certain US and non-US banking laws, including the BHCA, and to regulation by the Federal Reserve. The BHCA and other applicable banking laws, rules, regulations, guidelines and the interpretations thereof by the staff of the regulatory agencies which administer them:

- may restrict the transactions and relationships between the Investment Manager or other members of the Credit Suisse Group, on the one hand, and the Fund, on the other hand; and
- may restrict the investments, activities and transactions of the Fund.

### *Control Status*

As a result of the interest of the CS Investor, the Fund may be deemed to be “controlled” by the Credit Suisse Group under the BHCA and the regulations of the Federal Reserve, which could also remain the case as long as the Credit Suisse Group, directly or indirectly, owns at least twenty-five per cent (25%) of the Fund’s outstanding Shares. This means, among other things, that the Fund could itself be subject to certain provisions of the BHCA.

### *The Equity Limit*

Under the BHCA, the Credit Suisse Group (including the Fund to the extent that it is deemed to be “controlled” by the Credit Suisse Group):

- may be prohibited from owning or controlling, directly or indirectly interests in third parties that exceed the Equity Limit. The “**Equity Limit**” may be as low as (i) 5% of any class of voting securities or (ii) 25% of total equity; and
- would also be prohibited from exercising a “controlling influence over the management or policies” of certain issuers.

For so long as the Credit Suisse Group is deemed to control the Fund for BHCA purposes, the holdings of the Fund would be aggregated with those of the Credit Suisse Group for purposes of determining the Equity Limit with respect to any issuer, and any restrictions on holding securities of an issuer due to the Equity Limit or other requirements under the BHCA will apply to the Credit Suisse Group and the Fund in the aggregate. The Equity Limit may have a material adverse effect on the activities and performance of the Fund. The Credit Suisse Group will not be obligated to divest any investments or refrain from engaging in any transactions or activities in order to permit the Fund to own or retain any particular investment or engage in any particular activity, but the Fund may be required to do so to enable the Credit Suisse Group to comply with the BHCA.

### *Volcker Rule Ownership Limitations*

In addition, the Dodd-Frank Act amended the BHCA to include the “**Volcker Rule**”, which generally prohibits a banking entity, including each member of the Credit Suisse Group, from acquiring or retaining any ownership interest in or sponsoring a hedge fund or a private equity fund unless certain significant requirements are met. Such requirements could, individually or in the aggregate, have a material adverse effect on any such fund. The Fund has been structured to fit within an exemption to the Volcker Rule. However, it is possible that the Volcker Rule could be applied in an unexpected manner that causes the Fund to be treated as a “covered fund,” rather than an excluded fund. In such an event, the Volcker Rule would likely have a material adverse effect on the Fund including, without limitation, triggering a rapid redemption of Shares in the Fund by the Credit Suisse Group.

In addition, the Volcker Rule prohibits certain types of “covered transactions” between the Credit Suisse Group and any “covered fund” it sponsors. Such prohibited transactions include making loans to the Fund, extending credit to the Fund, purchasing assets from the Fund, and issuing a guarantee or letter of credit to the fund. Accordingly, were the Fund to become subject to the Volcker Rule, such restrictions could require changes to the service or counterparty arrangements that the Fund may have with the Credit Suisse Group.

### *Volcker-Compliant Amendments*

The Investment Manager may in the future, in its sole discretion, and without notice to or consent of the shareholders, take such action as it determines is necessary or appropriate in order to comply with the BHCA, including the Volcker Rule, or regulations promulgated thereunder to reduce, eliminate or otherwise modify the impact or applicability of such law or regulation to the Credit Suisse Group or the Fund. While the Investment Manager will have regard to its obligations to the Fund and its shareholders in taking any such actions, the Fund and/or the shareholders may nevertheless be adversely affected. In determining their responses to such laws or regulations, the Investment Manager and its affiliates, subject to the Investment Manager's obligations, will take account of their own business interests, which may conflict with the interests of the shareholders. Moreover, it is possible that such laws or regulations may mandate that the Investment Manager or its affiliates take actions that might otherwise conflict with the Investment Manager's obligations.

### **Anti-Money Laundering Regulations**

#### *Identity Verification*

In order to comply with laws and regulations aimed at the prevention of money laundering and terrorist financing, the Fund is required to adopt and maintain anti-money laundering procedures and, accordingly, the Fund, or the Administrator on the Fund's behalf, may require subscribers to provide evidence to verify their identity, the identity of their beneficial owners and controllers (where applicable), and the source of funds.

The Fund, and the Administrator on the Fund's behalf, may request such information as is necessary to verify the identity of any Shareholder (including any subscriber or a transferee) and the identity of their beneficial owners and controllers (where applicable). Where the circumstances permit, the Fund, or the Administrator on the Fund's behalf, may be satisfied that full due diligence may not be required at subscription where a relevant exemption applies under applicable law. However, detailed verification information may be required prior to the payment of any proceeds from or any transfer of an interest in Shares.

In the event of delay or failure by a subscriber or Shareholder to produce any information required for verification purposes, the Fund or the Administrator on the Fund's behalf, may (i) refuse to accept or delay the acceptance of a subscription; (ii) in the case of a transfer of Shares, refuse to register the relevant transfer of Shares; (iii) in the case of a subscription for Shares, refuse to allot the Shares subscribed for, in which event subscription moneys will be returned without interest to the account from which such moneys were originally debited; or (iv) cause the redemption of any such Shareholder from the Fund.

The Fund, and the Administrator on the Fund's behalf, also may refuse to make any redemption or dividend payment to a Shareholder if the Directors or the Administrator suspect or are advised that the payment of redemption or dividend proceeds to such Shareholder may be non-compliant with applicable laws or regulations, or if such refusal is considered necessary or appropriate to ensure the compliance by the Fund or the Administrator with any applicable laws or regulations.

The Authority has a discretionary power to impose substantial administrative fines upon the Fund in connection with any breaches by the Fund of prescribed provisions of the Anti-Money Laundering Regulations (2018 Revision) of the Cayman Islands, as amended and revised from time to time, and upon any Director or officer of the Fund who either consented to or connived in the breach, or to whose neglect the breach is proved to be attributable. To the extent any such administrative fine is payable by the Fund, the Fund will bear the costs of such fine and any associated proceedings.

### *Freezing Accounts*

Each of the Fund and the Administrator reserves the right, and the Fund may be obligated, pursuant to any applicable anti-money laundering laws or the laws, regulations, and Executive Orders administered by the US Department of Treasury's Office of Foreign Assets Control ("OFAC"), or other laws or regulations in any relevant jurisdiction (collectively, "AML/OFAC Obligations"), to "freeze the account" of a subscriber or Shareholder, either by (i) rejecting the subscription of a subscriber or Shareholder; (ii) segregating the assets in the account in compliance with applicable laws or regulations (including by way of compulsory redemption and automatic application of the proceeds of such compulsory redemption to a subscription for Shares of a separate class and/or series); (iii) declining any redemption request of a Shareholder; (iv) suspending payment of redemption proceeds to a Shareholder; and/or (v) refusing to make any dividend payment to a Shareholder. The Fund may be required to report such action and to disclose the subscriber's or Shareholder's identity to OFAC or other applicable governmental and regulatory authorities.

### *Sanctions and Required Representations*

The Fund is subject to laws that restrict it from dealing with certain persons, including persons that are located or domiciled in sanctioned jurisdictions. Accordingly, each subscriber and Shareholder (including any transferee) will be required to make such representations to the Fund as the Fund, the Investment Manager or the Administrator will require in connection with applicable AML/OFAC Obligations, including representations to the Fund that, to the best of its knowledge, such subscriber or Shareholder (and (i) any person controlling or controlled by the subscriber or Shareholder; (ii) if the subscriber or Shareholder is a privately held entity, any person having a beneficial interest in the subscriber or Shareholder; (iii) if required under Cayman Islands law, such persons having a beneficial interest in the subscriber or Shareholder as determined under Cayman Islands law; (iv) any person for whom the subscriber or Shareholder is acting as agent or nominee in connection with the investment; and (v) any authorised persons in respect of such subscriber or Shareholder) is not (a) a country, territory, individual or entity named on an OFAC list, any list maintained under the European Union ("EU") and United Kingdom ("UK") Regulations (as extended to the Cayman Islands by statutory instrument) or any similar list maintained under applicable law ("Sanctions Lists"); (b) dealing with any third party named on any Sanctions List; (c) operationally based or domiciled in a country or territory in relation to which current sanctions have been issued by the United Nations, EU or UK; or (d) a person or entity prohibited under the programs administered by OFAC or any other similar economic and trade sanctions program. Where a Shareholder is named on any of the Sanctions Lists, the Fund may be required to cease any further dealings with the Shareholder's interest in the Fund until such sanctions are lifted or a licence is sought under applicable law to continue dealings.

Each subscriber and Shareholder (including any transferee) will also be expected to represent to the Fund that, to the best of its knowledge, such subscriber or Shareholder (and (i) any person controlling or controlled by the subscriber or Shareholder; (ii) if the subscriber or Shareholder is a privately held entity, any person having a beneficial interest in the subscriber or Shareholder; and (iii) any person for whom the subscriber or Shareholder is acting as agent or nominee in connection with the investment) is not a senior foreign political figure,\* or any immediate family member\*\* or close associate\*\*\* of a

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\* For these purposes, the term "senior foreign political figure" means a current or former senior official in the executive, legislative, administrative, military or judicial branches of a non-US government (whether elected or not), a current or former senior official of a major non-US political party, or a current or former senior executive of a non-US government-owned commercial enterprise. In addition, a "senior foreign political figure" includes any corporation, business or other entity that has been formed by, or for the benefit of, a senior foreign political figure. For purposes of this definition, the term "senior official" or "senior

senior foreign political figure. Any subscriber or Shareholder (including any transferee) who cannot make such representations may be subject to enhanced due diligence and the Fund may decline to accept any subscription or process any transfer in such circumstances.

Further, if such subscriber or Shareholder is a non-US banking institution (a “**Non-US Bank**”) or if such subscriber or Shareholder receives deposits from, makes payments on behalf of, or handles other financial transactions related to a Non-US Bank, such subscriber or Shareholder must represent to the Fund that: (i) the Non-US Bank has a fixed address, other than solely an electronic address, in a country in which the Non-US Bank is authorized to conduct banking activities; (ii) the Non-US Bank employs one or more individuals on a full-time basis; (iii) the Non-US Bank maintains operating records related to its banking activities; (iv) the Non-US Bank is subject to inspection by the banking authority that licensed the Non-US Bank to conduct banking activities; and (v) the Non-US Bank does not provide banking services to any other Non-US Bank that does not have a physical presence in any country and that is not a regulated affiliate.

Such subscriber or Shareholder will also be required to represent to the Fund that amounts contributed by it to the Fund were not directly or indirectly derived from activities that may contravene applicable laws and regulations, including any applicable anti-money laundering laws and regulations.

Each subscriber and Shareholder must notify the Fund promptly in writing should it become aware of any change in the information set forth in its representations.

#### *Required Reporting*

If any person in the Cayman Islands knows or suspects or has reasonable grounds for knowing or suspecting that another person is engaged in criminal conduct or money laundering or is involved with terrorism or terrorist financing and property and the information for that knowledge or suspicion came to their attention in the course of business in the regulated sector, or other trade, profession, business or employment, the person will be required to report such knowledge or suspicion to (i) the Financial Reporting Authority of the Cayman Islands, pursuant to the Proceeds of Crime Law (2019 Revision) of the Cayman Islands, if the disclosure relates to criminal conduct or money laundering, or (ii) a police officer of the rank of constable or higher, or the Financial Reporting Authority, pursuant to the Terrorism Law (2018 Revision) of the Cayman Islands, if the disclosure relates to involvement with terrorism or terrorist financing and property. Such a report will not be treated as a breach of confidence or of any restriction upon the disclosure of information imposed by any enactment or otherwise.

Investors may obtain details (including contact details) of the current AML Compliance Officer, Money Laundering Reporting Officer and Deputy Money Laundering Reporting Officer of the Fund, by contacting the Investment Manager at the address given in the directory.

#### **Delegation**

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executive” means an individual with substantial authority over policy, operations, or the use of government-owned resources.

\*\* For these purposes, an “**immediate family member**” of a senior foreign political figure means spouses, parents, siblings, children and a spouse’s parents and siblings.

\*\*\* For these purposes, a “**close associate**” of a senior foreign political figure means a person who is widely and publicly known (or is actually known) to be a close associate of a senior foreign political figure.

Where permitted by applicable law, and subject to certain conditions, the Fund may delegate the maintenance of its anti-money laundering procedures (including the acquisition of due diligence information) to a suitable person.

#### *Beneficial Ownership Regime*

The Fund is currently licensed by the Authority with licence number 1341616 pursuant to the Mutual Funds Law, being a “regulatory law” as defined in section 2 of the Monetary Authority Law (2018 Revision), and, accordingly, does not fall within the scope of the primary obligations under Part XVIIIA of the Companies Law (the “**Beneficial Ownership Regime**”). The Fund is therefore not required to maintain a beneficial ownership register. The Fund may, however, be required from time to time to provide, on request, certain particulars to other Cayman Islands entities which are within the scope of the Beneficial Ownership Regime and which are therefore required to maintain beneficial ownership registers under the Beneficial Ownership Regime. It is anticipated that such particulars will generally be limited to the identity and certain related particulars of (i) any person holding (or controlling through a joint arrangement) a majority of the voting rights in respect of the Fund; (ii) any person who is a member of the Fund and who has the right to appoint and remove a majority of the board of directors of the Fund; and (iii) any person who has the right to exercise, or actually exercises, dominant direct influence or control over the Fund.

#### **General**

Subject to the foregoing, it is not expected that any regulatory filings will be made in any country and the Fund will not be qualified for public sale in any country other than the Cayman Islands and the Bailiwick of Guernsey.

## SUITABILITY REQUIREMENTS

### Investor Suitability Requirements

Investment in the Fund is suitable only for those persons and institutions for whom such investment does not represent a complete investment program, who understand the degree of risk involved (as detailed in the “Certain Risk Factors” section of this Prospectus) and believe that the investment is suitable based upon investment objectives and financial needs. An investment in the Fund should be viewed as medium to long-term.

The Subscription Agreement requires each prospective applicant for Shares to represent and warrant to the Fund that, among other things, it is able to acquire and hold Shares without violating applicable laws.

The Shares may not be offered, issued or transferred to any person in circumstances which, in the opinion of the Board of Directors, might result in the Fund incurring any liability to taxation or suffering any other pecuniary disadvantage which the Fund might not otherwise incur or suffer, or would result in the Fund being required to register under any applicable US securities laws.

Each applicant for Class A Shares will be required to represent that it is a Qualifying Investor. Subject as described under “Transfers of Shares”, Class A Shares are freely transferable.

The term “**Qualifying Investor**” means (i) an investor resident in the Cayman Islands or the Bailiwick of Guernsey or (ii) a non-US Person that meets the other suitability requirements described herein and in the Subscription Agreement, and, in each case, is not a Prohibited Person. Entities subject to the US Employee Retirement Income Security Act of 1974, as amended (“**ERISA**”), generally may not purchase Shares. By purchasing Shares, each investor will be deemed to represent that such investor is not subject to ERISA.

The Class B Shares may be offered to US Persons that meet the suitability requirements described herein and in the Subscription Agreement. The term “**US Person**” means a person described in one or more of the following paragraphs:

1. With respect to any person, any individual or entity that would be a US Person under Regulation S promulgated under the Securities Act. The Regulation S definition is set forth in **Appendix A** to this Prospectus.
2. With respect to individuals, any US citizen or “resident alien” within the meaning of US income tax laws as in effect from time to time. Currently, the term “resident alien” is defined under US income tax laws to generally include any individual who (i) holds an Alien Registration Card (a “green card”) issued by the US 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 (a) the individual was present in the US on at least 31 days during such year *and* (b) the sum of the number of days on which such individual was present in the US during the current year,  $\frac{1}{3}$  of the number of such days during the first preceding year, and  $\frac{1}{6}$  of the number of such days during the second preceding year, equals or exceeds 183 days.
3. 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 US court is able to exercise primary supervision over the administration of the trust and (b) one or more US Persons have the authority to control all substantial decisions of the trust;
- (iii) an estate which is subject to US tax on its worldwide income from all sources; and
- (iv) any entity organized principally for passive investment, such as a pool, investment company or other similar entity, that has a beneficial owner located in the United States.

Each prospective purchaser is urged to consult with its own advisers to determine the suitability of an investment in the Shares, and the relationship of such an investment to the purchaser's overall investment program and financial and tax position. Each purchaser of Shares is required to represent that it has evaluated the risks of investing in the Fund, understands there are substantial risks of loss incidental to the purchase of Shares and has determined that the Shares are a suitable investment for such purchaser.

It is the responsibility of each shareholder to verify that it is not prohibited from owning shares.

Each prospective Shareholder is urged to consult with its own advisors to determine the suitability of an investment in the Shares, and the relationship of such an investment to the purchaser's overall investment program and financial and tax position. Each purchaser of 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.

**“Prohibited Person”** means any person who fails to supply information (which the Directors determine is necessary or appropriate) to the Fund in accordance with the Articles in connection with FATCA, CRS or any similar regimes or any person who by virtue of his holding of Shares might, in the opinion of the Directors, cause or be likely to cause the Fund or the Investment Manager:

- (i) to be in violation of the United States Securities Act of 1933;
- (ii) to be required to register under the United States Investment Company Act of 1940, the United States Investment Advisers Act of 1940 or to file a prospectus with the United States Commodity Futures Trading Commission or the United States National Futures Association pursuant to regulations under the United States Commodity Exchange Act of 1934 or any other comparable legislation in any jurisdiction other than the Cayman Islands or the Bailiwick of Guernsey; or
- (iii) to be subject to obligations under the United States Employee Retirement Income Security Act of 1974.

The Fund reserves the right to serve a notice requiring the transfer of any Shares held, directly or indirectly, by a Prohibited Person. Under the Articles, such compulsory transfer may be made to a person (including, without limitation, an existing Shareholder) qualified under the Articles to hold the same at a price equal to the Net Asset Value per share of that share (as at the Valuation Day preceding the date of the relevant compulsory transfer notice) or, in either such case, if no purchaser of the shares at the relevant price is found by the Fund within 21 days of the giving of such notice, the highest price that any eligible purchaser found by the Fund is willing to pay therefor. The Fund shall

have no obligation to the Shareholder to find the best price for the relevant shares. The Board of Directors may, from time to time, require of a Shareholder that such information and evidence be furnished to them or any other person in connection with the foregoing matters as they shall in their discretion deem sufficient.

Shareholders who do not comply with the terms of any compulsory transfer notice given by the Board of Directors after becoming a Prohibited Person will be subject to compulsory redemption. The Board of Directors, the Fund and the duly authorized agents of the Fund, shall not be liable to any Shareholder or otherwise for any loss incurred by the Fund as a result of any Prohibited Person breaching the compulsory transfer restrictions referred to herein and any Shareholder who breaches such restrictions is required under the Subscription Agreement to indemnify the Fund for any loss to the Fund caused by such breach.

The Board of Directors or their duly authorized agent may serve notice on any holder of shares requiring that holder to promptly provide them with such information, representations, certificates or forms relating to such holder (or its direct or indirect owners or account holders) that the Board of Directors determine are necessary or appropriate for the Fund to, amongst other things, satisfy any requirements under FATCA, CRS or similar laws or to avoid or reduce any tax. In the event of any failure of the relevant Shareholder to comply with the request contained in such notice within a reasonable time as determined by the Board of Directors in their absolute discretion, the Board of Directors may proceed to avail themselves of the rights conferred on them under the Articles as though the relevant Shareholder were a Prohibited Person.

## **FISCAL YEAR**

The Fund's fiscal year ends on December 31 of each calendar year.

## **INDEPENDENT AUDITORS; REPORTS TO SHAREHOLDERS**

KPMG has been retained as the independent auditors of the Fund to provide auditing and related services. An annual report and audited financial statements of the Fund will be prepared and made available to Shareholders within 90 days of the end of the Fund's fiscal year, or as soon as reasonably practicable thereafter, and quarterly statements will also be sent to Shareholders. The Fund will also provide periodic unaudited performance information, no less frequently than quarterly, to the Shareholders.

The Fund is not obligated to retain the auditors and the Board of Directors may, without prior notice to, or receiving consent from, the Shareholders, subject to the Mutual Funds Law, engage other persons, firms or entities to provide auditing and related services.

Shareholders will also receive an unaudited interim report covering the six month period to June 30, in each year (other than stub periods). A copy of the interim report will be sent to each Shareholder within three months of the half year end.

## GENERAL INFORMATION

### Miscellaneous

This Prospectus may be translated into other languages.

The register of members of the Fund is maintained at the registered address of the Administrator, together with the other statutory records of the Fund.

With the exception of the Voting Shares (see “Capital Structure of the Fund – Voting Rights” above), there are no persons who are directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Fund.

There are no contracts or arrangements in which a Director or relevant officer is materially interested in and which is significant in relation to the business of the Fund.

There are no outstanding loans from the Fund to the Directors or relevant officers.

For the purposes of TISE listing, this Prospectus and the Articles constitute TISE listing document and should be read in conjunction by prospective investors.

TISE listing will be suspended during any period in which a majority of the Fund’s Independent Directors determine to suspend the determination of the Net Asset Value of the Fund.

As of the date of this Prospectus, there are no legal or arbitration proceedings (including such proceedings which are threatened of which the Fund is aware) which may have or have had in the recent past (covering the period since the Fund’s incorporation) a significant effect on the Fund’s financial position.

Subject to the Articles and as set out above under “Capital Structure of the Fund – Voting Rights” and “–Special Voting Rights”, A Shares are non-voting shares.

As of the date of this Prospectus, the Fund has not issued any debt securities, nor does the Fund have any mortgages or charges, or borrowing or indebtedness in the nature of borrowing of the Fund including bank overdrafts and liabilities under acceptances or acceptance credits or hire purchase commitments, distinguishing between guaranteed, unguaranteed, secured and unsecured borrowings and debt, other than in the ordinary course of its business. As of the date of this Prospectus, there are no current contingent liabilities or guarantees of the Fund.

As of the date of this Prospectus, there has been no material adverse change in the financial or trading position of the Fund since incorporation.

The Directors of the Fund consider that there is sufficient working capital available to the Fund for at least 12 months from the date of this Prospectus.

### Material Contracts

#### *Investment Management Agreement*

The Investment Manager was appointed pursuant to an investment management agreement dated January 11, 2017 and entered into between the Investment Manager and the Fund (the “**Investment Management Agreement**”). Under the Investment Management Agreement, the Investment Manager has full discretion, subject to the control of and review by the Board of Directors, *inter alia*, to invest such portion of the assets of the Fund in a manner consistent with the investment objective and

approach described in this Prospectus. Pursuant to the Investment Management Agreement, the Investment Manager will also provide risk management services to the Fund. The Investment Management Agreement will automatically renew from year to year until terminated by any party on 90 days' notice in writing to the other parties. It may be terminated forthwith by any party on immediate written notice if any other party commits any material breach of its obligations and fails to remedy the breach within 30 days of receipt of written notice requiring the same, or if the other party is dissolved or otherwise is unable to pay its debts, becomes insolvent or enters into insolvency proceedings. Further, the Fund may terminate the Investment Management Agreement in the event that the Investment Manager is no longer permitted to perform its obligations under any applicable law.

None of the Investment Manager or its affiliates or their respective members, partners, directors, shareholders, officers, employees or the legal representatives of any of them (each, an "**Indemnified Party**") will be liable to the Fund for any costs, losses, claims, damages, liabilities, expenses (including reasonable legal and other professional fees and disbursements), judgments, fines or settlements (collectively, "**Indemnified Losses**") arising out of, related to or in connection with any act or omission of such Indemnified Party taken, or omitted to be taken, in connection with the Fund or the Investment Management Agreement, except for any Indemnified Losses arising out of, related to or in connection with any act or omission that is judicially determined to have arisen due to the bad faith, gross negligence, willful misconduct or fraud of such Indemnified Party.

To the fullest extent permitted by law, the Fund will indemnify and hold harmless each Indemnified Party from and against any and all Indemnified Losses suffered or sustained by such Indemnified Party by reason of any act, omission or alleged act or omission arising out of, related to or in connection with the Fund or the Investment Management Agreement, or any and all proceedings in which an Indemnified Party may be involved, as a party or otherwise, arising out of, related to or in connection with such Indemnified Party's service to or on behalf of, or management of the affairs or assets of, the Fund, or which relate to the Fund, except for any Indemnified Losses that are (i) judicially determined to have arisen due to the bad faith, gross negligence, willful misconduct or fraud of such Indemnified Party, or (ii) arising out of, related to or in connection with an Other Agreement. The termination of a proceeding by settlement, will not, of itself, create a presumption that such Indemnified Party's acts, omissions or alleged acts or omissions arose due to the bad faith, gross negligence, willful misconduct or fraud of such Indemnified Party. Expenses (including legal and other professional fees and disbursements) incurred in any proceeding may, with the consent of the Fund, be paid by the Fund in advance of the final disposition of such proceeding upon receipt of an undertaking by or on behalf of such Indemnified Party to repay such amount if it is ultimately determined that such Indemnified Party is not entitled to be indemnified by the Fund as authorized under the Investment Management Agreement.

#### *Services Agreement*

The Administrator was appointed pursuant to a services agreement dated January 1, 2017 and entered into between the Administrator and the Fund (the "**Services Agreement**"). Pursuant to the terms of the Services Agreement, the Administrator has been appointed to act as the Fund's designated administrator for the purposes of The Registered Collective Investment Schemes Rules 2015 of Guernsey and to provide administrative services, including accounting, shareholder record-keeping and related administrative services, arranging for the payment of expenses, maintaining books and records, assisting in communications with investors, assisting the auditors in preparing the accounts of the Fund, serving as the Fund's agent for the issue, redemption and transfer of Shares and acting as registrar of the Fund.

The Fund will defend, indemnify and hold harmless the Administrator, its affiliates, officers, directors, employees, successors and permitted assigns from and against any loss, liability (including settlements, judgments, fines and penalties) or costs (including reasonable attorney fees, court costs and other litigation expenses) relating to any assertions, or any actual or threatened claims, actions, suits or proceedings (whether civil, criminal, administrative, arbitral, investigative or otherwise) (collectively, “**Services Claims**”) against the Administrator (including, for clarity, by any governmental agency) by a third party arising from certain matters set forth in the Services Agreement, including the Administrator’s performance of the services under the Services Agreement, to the extent that (i) the Administrator’s total liability to the Fund for damages pursuant to the limitation of liability set forth below has been paid or is due to be paid pursuant to a fully adjudicated or settled Services Claim and (ii) the Administrator is not found to have acted with gross negligence, willful misconduct or fraud in performing the services that are giving rise to the claim for indemnification.

The Fund will indemnify the Administrator from any costs reasonably incurred by the Administrator in connection with successfully enforcing the indemnity provisions of the Services Agreement.

Each party to the Services Agreement will be liable to the other party for any direct damages arising out of or relating to its performance or failure to perform its obligations under the Services Agreement; provided, however, that the total liability of a party to the other party for Services Claims arising due to any event, act or omission, whether based on an action or claim in contract, equity, negligence, tort or otherwise, will be limited to the amount set forth in the Services Agreement.

The Administrator will receive a monthly asset based fee from the Fund, subject to a monthly minimum fee as well as fixed fees for specified reporting and/or regulatory filings prepared by the Administrator. Certain other out-of-pocket expenses of the Administrator, as well as applicable data, communication and technology-related charges may also be charged to the Fund in accordance with the Services Agreement.

The Services Agreement may generally be terminated without penalty at the end of a calendar quarter falling after June 30, 2018, upon six months’ prior written notice and may be terminated at other times in the case of a material breach which is not cured and other specified circumstances.

The Administrator may have relationships with providers of technology, data or other services to the Fund and/or Investment Manager and the Administrator may receive economic and/or other benefits in connection with the Fund and or the Investment Manager’s activities, including, but not limited to its use of technological, communication or other services. The Administrator may subcontract with agents, selected by the Administrator in good faith for administrative and certain other services.

#### *Barclays Capital Securities Limited*

The services provided to the Fund by BCSL under the BCSL Agreement will include the provision of custody, margin financing, clearing, settlement, securities lending, foreign exchange facilities and other services. The Fund may also utilise BCSL for the purpose of executing transactions for the Fund.

BCSL will also provide safekeeping of financial instruments for all of the Fund’s investments held on the books of BCSL as part of its prime brokerage function in accordance with the terms of the BCSL Agreement and the rules of the FCA. BCSL may appoint sub-custodians of such investments. BCSL shall not be responsible for the performance of any such sub-custodian, nor for any such sub-

custodian's insolvency (and, therefore, for losses to the Fund arising as a result for such performance or insolvency).

In accordance with the rules of the FCA, BCSL will segregate the Fund's investments from BCSL's own investments, and such investments should therefore be unavailable to the creditors of BCSL. In the event that any of the Fund's investments are registered in the name of BCSL where, due to the nature of the law or market practice of jurisdictions outside the United Kingdom, it is in the Fund's best interests that such investments are so registered, or where it is not feasible to do otherwise, such investments will not be segregated from BCSL's own investments and in the event of BCSL's default such investments may not be as well protected and may not be available to the Fund in the event of the sub-custodian's insolvency. Investments which constitute collateral for the purposes of the FCA's rules may not be segregated from BCSL's own investments and may be available to creditors of BCSL.

As security for the payment and discharge of all liabilities of the Fund to BCSL, all investments and cash held by BCSL will be charged by the Fund in BCSL's favour. Investments and cash may also be deposited by the Fund with BCSL as margin and will constitute collateral for the purposes of the FCA's rules.

Any cash which BCSL holds or receives on the Fund's behalf will not be treated by BCSL as client money and will not be subject to the client money protections conferred by the FCA's client money rules.

Subject to a limit set out in the BCSL Agreement, the Fund's investments may be borrowed, lent or otherwise used by BCSL for its own purposes without notice to the Fund, whereupon such investments will become the property of BCSL and the Fund shall have a right against BCSL for the return of equivalent assets (including the market value in cash of such investments). The Fund will rank as an unsecured creditor in relation thereto and, in the event of the insolvency of BCSL, the Fund may not be able to recover such equivalent assets in full. BCSL's right to borrow, lend or otherwise use the Fund's investments is unlimited.

BCSL will exercise reasonable care, skill and diligence in connection with holding any investments and, where BCSL deposits investments held on behalf of the Fund with a sub-custodian, it shall comply with FCA Rules. BCSL will not be responsible for any loss or damage suffered by the Fund as a result of performing those obligations unless the same results from BCSL's fraud, negligence or willful default. The Fund has agreed to indemnify BCSL and its affiliates against any loss, liability claims and expenses provided that neither BCSL or any such affiliate shall be indemnified for BCSL's or such affiliate's fraud, negligence or willful default.

#### *Barclays Capital Inc.*

The services provided to the Fund by BCI under the BCI Agreement may include the provision to the Fund of margin, execution, settlement and other products or services and otherwise transacting business with the Fund.

The BCI Agreement sets forth certain rights and obligations of both BCI and the Fund, including BCI's security interest in and lien on all cash and securities of the Fund held by BCI pursuant to the BCI Agreement. The rights and obligations of BCI and the Fund under the BCI Agreement are subject to all applicable laws, rules and regulations.

Pursuant to the BCI Agreement, the Fund has granted a first priority lien on and security interest in all assets and property of the Fund held pursuant to the BCI Agreement in order to secure the obligations and liabilities as more fully described in the BCI Agreement.

BCI may hold the investments and other assets of the Fund with a sub-custodian, depository or clearing agent, including a person connected with BCI, where BCI will exercise reasonable care in the selection of such entities (where it reasonably satisfies itself as to the ongoing ability of such subcustodian or other agent to perform its responsibilities competently). BCI may transfer the Fund's custodied assets to any of its affiliate (or subcustodians or other related entities) in any jurisdiction (including outside the United States). The Fund may have ancillary or related agreements in place with BCI (or affiliates of BCI) which allow BCI (or its affiliates) to use or transfer the Fund's custodied assets according to their terms which could affect the Fund's rights to its assets. Consistent with general brokerage laws of the United States applicable to BCI, certain assets of the Fund are not required to be segregated and in the event of BCI's insolvency, may not be recoverable in full. Assets held as collateral by BCI are deemed pledged to BCI and may be re-hypothecated or otherwise used by BCI for its own purposes to the extent permitted under general brokerage laws applicable to BCI. BCI is subject to Rule 15c3-3 of the Securities Exchange Act of 1934 with respect to its use of securities held on behalf of the Fund, which permits BCI to rehypothecate or otherwise use Fund securities having a value up to 140% of the Fund's net debit balance (and disallows BCI from rehypothecating the Fund's custodied fully paid and excess margin securities). In the BCI Agreement, BCI has agreed to a tighter 130% rate.

The Fund has agreed to indemnify and hold BCI (and all affiliates, officers, directors, agents and employees) harmless from and against any loss, claim, damage, liability, penalty, fine or excise tax arising from, related to, or in connection with BCI acting or declining to act on the Fund's instructions, a breach by the Fund of any of its obligations, any settlement of any claim or litigation relating to BCI acting in any capacity for the Fund (or in connection with any investigation or proceeding against the Fund), or any activities or services of BCI for the benefit of the Fund under the BCI Agreement (including technology and reporting and disaffirmance of transactions), except to the extent that such loss resulted directly from the negligence, willful misconduct or fraud of BCI or its related entities.

BCI may modify the BCI Agreement at any time upon written notice to the Fund where required to comply with applicable law (provided that BCI will provide 30 days' prior written notice of such modification where reasonably practicable). BCI may also modify the terms of the BCI Agreement upon 30 days' prior written notice if such modification applies to all similarly situated customers. Otherwise, this Agreement may not be modified absent a written instrument signed by an authorized representative of BCI. The BCI Agreement may be terminated by each party upon 30 days prior written notice to the other party (where in the case of terminations by the Fund, it must have no obligations outstanding and such notice must be accompanied with instructions as to the transfer of all property held in its accounts with BCI).

BCI is a service provider to the Fund and is not responsible for updating this Prospectus or for the preparation of any offering memorandum or similar documents of the Fund or the activities of the Fund and therefore accepts no responsibility for the completeness, timeliness or accuracy of any information contained in this Prospectus. BCI will not participate in the investment decision-making process.

### *Bank Prime US*

Under the Barclays US “bank prime” prime brokerage platform, (i) the Fund and BCI have entered into the BCI Agreement (described above), (ii) the Fund and BBPLC have entered into an arranged lending and custody account agreement (the “**Arranged Lending Agreement**”, together with the BCI Agreement, the “**Barclays Bank Prime Agreements**”) (which is subject to the Global Netting Agreement dated January 31, 2017 between the Fund, BBPLC, BCSL and BCI) and (iii) the Barclays Bank Prime Agreements and the parties thereto are subject to various laws, rules and regulations, including without limitation all applicable US margin rules and all applicable laws, rules as well as regulations of the UK and the European Union. Pursuant to the Barclays Bank Prime Agreements, (i) BBPLC may (a) provide margin financing and securities lending services to the Fund, (b) offer custody services for the Fund’s securities through BBPLC’s New York Branch and (c) hold the Fund’s cash balances through BBPLC’s London Branch as banker (and not as trustee) (where money will not be held in accordance with the client money rules of the FCA and will not be subject to the statutory trust provided for under such client money rules.) and (ii) BCI may provide US clearing and settlement services for the Fund. Any US listed options held by the Fund under the Barclays Bank Prime Agreements will be held and margined pursuant to the BCI Agreement. Furthermore, under the Barclays Bank Prime Agreements, BCI and BBPLC will have (i) a first priority lien on and security interest in all assets and property of the Fund held pursuant to the Barclays Bank Prime Agreements and (ii) subject to all applicable laws, rules and regulations, rehypothecation rights over the Fund’s securities. The Global Netting Agreement contains terms related to relationship-wide cross-margining and cross-default which could affect the terms of the other Barclays Bank Prime Agreements and the Funds rights and obligations thereunder.

### *Goldman Sachs & Co. LLC*

The services provided by GS in its capacity as prime broker will include the execution of purchase and sale orders as directed by the Fund and the clearing and settlement of such orders and the orders executed by other brokers (on the basis of payment against delivery). In addition, GS may enter into off-exchange contracts with the Fund as principal. GS will also provide the Fund with short selling facilities.

As custodian, GS will be responsible for the safekeeping of the investments and other assets of the Fund delivered to it (the “**Fund’s Property**”) in accordance with general brokerage laws of the US applicable to GS. GS will identify, record and hold the Fund’s Property in such a manner that the identity and location thereof can be identified at any time and so that the Fund’s Property shall be readily identifiable as property belonging to, and held for the benefit of, the Fund and as separate from any of GS’s own property.

GS may hold the Fund’s Property with a sub-custodian, depository or clearing agent, including a person connected with GS (each a “**sub-custodian**”) in a single account that is identified as belonging to customers of GS. GS will identify in its own books and records that part of the Fund’s Property held by a sub-custodian as being held for the Fund. Consistent with general brokerage laws of the US applicable to GS, certain assets of the Fund are not required to be segregated and in the event of GS’s insolvency, may not be recoverable in full. GS will exercise reasonable skill, care and diligence in the selection of sub-custodians, and shall be responsible for satisfying itself as to the ongoing suitability of the sub-custodian, to the extent it deems appropriate, to confirm that the obligations of the sub-custodian continue to be competently discharged.

GS can also lend and borrow cash and securities to and from the Fund. The Fund has granted GS a general lien and a continuing first priority security interest in all cash, securities and other property

held by GS or its affiliates to secure the discharge of all obligations and liabilities that the Fund may owe to GS and its affiliates. In addition, any of the Fund's securities held by GS may be borrowed or re-hypothecated by GS for its own purposes to the extent permitted under general brokerage laws applicable to GS. Therefore, in the event of GS's bankruptcy or insolvency, the Fund's assets may be subject to the conflicting claims of GS's creditors; the Fund may be exposed to the risk of a court treating the Fund as a general unsecured creditor of GS, rather than as the owner of the collateral; and the Fund may not be able to recover equivalent assets in full. Cash held or received for the Fund by GS may be used by GS in the course of its business. However, US federal regulations require GS to maintain a "Special Reserve Bank Account for the Exclusive Benefit of Customers" into which GS must deposit a sufficient amount of cash and/or US Government securities to cover the net amount of unencumbered cash held on behalf of clients after deducting customer debits owed to GS. GS may not commingle its own cash with the assets held in the Special Reserve Bank Account. Under the Securities Investor Protection Act ("SIPA"), cash for investment is considered "customer property" and would be subject to the SIPA customer protection scheme in the event of GS's insolvency.

The GS Prime Brokerage Agreement generally provides that GS will not be liable to the Fund for any expense, losses, damages, liabilities, demands, charges, claims, penalties, fines and taxes of any kind or nature ("**Losses**") suffered by or with respect to any matters pertaining to the GS Prime Brokerage Agreement, except to the extent that such Losses are actual losses and are determined to have resulted primarily from such GS entity's gross negligence, fraud, breach of contract or willful misconduct. In addition, the Fund will indemnify GS (and its respective partners, officers, directors, employees and agents) against any Losses suffered by GS in connection with the services provided as well as in other certain circumstances specifically set out in the GS Prime Brokerage Agreement, except to the extent that such Losses are caused by GS's gross negligence, fraud, breach of contract or willful misconduct and/or the violation of applicable law, rule or regulation.

The arrangements with GS may be terminated (i) by the Fund at any time by the giving of written notice of such termination to GS, (ii) by GS (A) upon the giving of 30 days' prior written notice of such termination to Fund, or (B) at any time for cause.

GS has no decision making responsibility or investment discretion relating to the Fund's investments. GS is a service provider to the Fund and is not responsible for the preparation of this document or the activities of the Fund and therefore accepts no responsibility for any information contained in this document.

#### *J.P. Morgan Securities plc*

Pursuant to the JPMS Agreement, JPMS plc will provide cash collateral and margining services on the terms of the JPMS Agreement. Such services will be provided pursuant to a series of agreements including an ISDA Master Agreement and Client Agreement.

Any cash which JPMS plc holds or receives on the Fund's behalf pursuant to the JPMS Agreement will not be treated by JPMS plc as client money and will not be subject to the client money protections conferred by the FCA's Client Money Rules. As a consequence, the Fund's cash will not be segregated from JPMS plc's own cash and may be used by JPMS plc in the course of its investment business, and the Fund will rank as one of JPMS plc's general creditors in relation thereto.

The Fund will be liable to JPMS plc and its affiliates for any losses, costs and fees, any regulatory fines solely arising from reliance on the Fund's instructions or in connections with any action, claim or investigation to the extent that they do not arise from JPMS plc's and its affiliates' bad faith, willful misconduct, fraud or negligence.

JPMS plc and its affiliates shall not be liable for losses suffered by the Fund unless and to the extent that such losses are directly caused by their or their director, officer or employee's material breach of the JPMS Agreement, negligence, fraud or willful default.

Neither JPMS plc nor its affiliates will have any involvement in the supervision, management or decision-making relating to the Fund's investments or any responsibility for monitoring whether investments are in compliance with any internal policies, investment goals or limitations of the Fund, and neither JPMS plc nor its affiliates will be responsible for any losses suffered by the Fund except as described above.

JPMS plc and the Fund may terminate the JPMS Agreement upon 10 calendar days' prior written notice, provided, however, that the Fund's termination of the JPMS Agreement shall be without prejudice to the full and final discharge of the Fund's obligations as determined by JPMS plc.

#### *Morgan Stanley and Co. LLC*

The prime brokerage services provided to the Fund by MS under the MS Prime Broker Agreement may include the provision to the Fund of margin financing, clearing, settlement, custody, stock borrowing and foreign exchange facilities. The Fund may also utilize MS and other brokers and dealers for the purposes of executing transactions for the Fund.

The MS Prime Broker Agreement sets forth certain rights and obligations of both MS and the Fund, including MS's security interest in and lien on all cash and securities of the Fund held by MS pursuant to the MS Prime Broker Agreement. The rights and obligations of MS and the Fund under the MS Prime Broker Agreement are subject to all applicable laws, rules and regulations.

Pursuant to the MS Prime Broker Agreement, the Fund has granted a first priority lien on and security interest in all assets and property of the Fund held pursuant to the MS Prime Broker Agreement in order to secure the obligations and liabilities as more fully described in the MS Prime Broker Agreement.

MS may hold the investments and other assets of the Fund with a sub-custodian, depository or clearing agent, including a person connected with MS, where MS will exercise due care in the selection of such entities. MS may transfer the Fund's custodied assets to any of its affiliate (or subcustodians or other related entities) in any jurisdiction (including outside the United States). The Fund may have ancillary or related agreements in place with MS (or affiliates of MS) which allow MS (or its affiliates) to use or transfer the Fund's custodied assets according to their terms which could affect the Fund's rights to its assets. Consistent with general brokerage laws of the United States applicable to MS, certain assets of the Fund are not required to be segregated and in the event of MS's insolvency, may not be recoverable in full. Assets held as collateral by MS are deemed pledged to MS and may be re-hypothecated or otherwise used by MS for its own purposes to the extent permitted under general brokerage laws applicable to MS. MS is subject to Rule 15c3-3 of the Securities Exchange Act of 1934 with respect to its use of securities held on behalf of the Fund, which permits MS to rehypothecate or otherwise use Fund securities having a value up to 140% of the Fund's net debit balance (and disallows MS from rehypothecating the Fund's custodied fully paid and excess margin securities). In the MS Prime Broker Agreement, MS has agreed to a tighter 130% rate.

The Fund has agreed to indemnify and hold MS (and all affiliates, officers, directors, employees and agents) harmless from and against any and all losses, claims, damages, liabilities, taxes, and expenses incurred by MS in connection with or arising out of the Fund's obligations, the enforcement of the MS Prime Broker Agreement by MS, or the execution, purchase, sale, assignment, exercise,

endorsement or handling of any transaction for the account of the Fund, or in connection with MS acting or declining to act as prime broker, except for actions taken or omitted to be taken by MS which are a direct result of MS's willful misconduct, fraud, negligence or material breach of the MS Prime Broker Agreement.

MS may modify the MS Prime Broker Agreement at any time upon written notice to the Fund where required by laws, rules or regulations. All other modifications to the MS Prime Broker Agreement must be agreed to in writing by MS and the Fund. The MS Prime Broker Agreement may be terminated by each party upon 30 days prior written notice to the other party.

MS is a service provider to the Fund and is not responsible for updating this Prospectus or for the preparation of any offering memorandum or similar documents of the Fund or the activities of the Fund and therefore accepts no responsibility for the completeness, timeliness or accuracy of any information contained in this Prospectus. MS will not participate in the investment decision-making process.

#### *Directors' Services Agreements*

A director services agreement between (1) the Fund, (2) A.R.C. Directors Ltd ("**A.R.C.**") and (3) Damian Juric dated January 6, 2017 (the "**A.R.C. DSA**"). The A.R.C. DSA will continue in force until Damian Juric is removed or ceases to be a director in any manner permitted by the Articles or Damian Juric resigns upon written notice to the Fund. Pursuant to the A.R.C. DSA, Damian Juric, A.R.C. and its employees and directors (each, an "**A.R.C. Indemnified Party**") will not be liable for any loss or damage incurred by the Fund as a result (whether direct or indirect) of the carrying out of such A.R.C. Indemnified Party's obligations under the A.R.C. DSA unless that liability arises through the actual fraud, bad faith, willful misconduct or gross negligence of such A.R.C. Indemnified Party. No person shall be found to have committed actual fraud, bad faith, willful misconduct or gross negligence under the A.R.C. DSA unless or until a court of competent jurisdiction shall have made a finding to that effect. The A.R.C. DSA also provides that the Fund will indemnify and hold harmless a A.R.C. Indemnified Party from and against any and all liability, action, proceeding, claim, demand, costs, damages or expenses, including any legal expenses, arising as a result (whether direct or indirect) of the carrying out of such A.R.C. Indemnified Party's obligations under the A.R.C. DSA, other than such liability (if any) that they may incur by reason of their actual fraud, bad faith, willful misconduct or gross negligence.

A director services agreement between (1) the Fund, (2) Crestbridge Cayman Limited ("**Crestbridge**") and (3) George Bashforth dated January 5, 2017 (the "**Crestbridge DSA**"). Pursuant to the Crestbridge DSA, Crestbridge has agreed to provide the services of George Bashforth to act as independent director of the Fund. The Crestbridge DSA will continue in force until terminated by either party on no less than one month's notice in writing to the other party. In addition, Crestbridge or the Fund may terminate the Crestbridge DSA with immediate effect under certain circumstances set out in the Crestbridge DSA. To the maximum extent permitted by law, Crestbridge, its affiliates and George Bashforth (each, a "**Crestbridge Indemnified Party**"), will be indemnified by the Fund against any liability, action, proceeding, claim, demand, costs, damages or expenses, including legal expenses (each a "**Liability**"), which he, she or it may incur in connection with the provision of the services under the Crestbridge DSA, save to the extent that such Liability arose as a result of such person's actual fraud, bad faith, willful misconduct or gross negligence. In addition, a Crestbridge Indemnified Party will not be liable to the Fund for any loss or damage resulting (directly or indirectly) from providing the services under the Crestbridge DSA, save to the extent that such Liability arose as a result of such person's actual fraud, bad faith, willful misconduct or gross

negligence. For the purposes of the Crestbridge DSA, a person shall not be deemed to have committed “actual fraud”, “bad faith”, “willful misconduct” or “gross negligence” until a court of competent jurisdiction has made a final, non-appealable finding to that effect.

A director services agreement between (1) the Fund and (2) Maples Fiduciary Services (Cayman) Limited (“**Maples Fiduciary**”) dated January 5, 2017 (the “**Maples DSA**”). Pursuant to the Maples DSA, Maples Fiduciary has agreed to provide the services of one or more persons to act as independent directors of the Fund. Sophia A. Dilbert has been appointed to the board of directors of the Fund in accordance with the terms of the Maples DSA. The Maples DSA will continue in force until terminated by either party on no less than one month’s notice in writing to the other party. Maples Fiduciary may terminate the Maples DSA with immediate effect under certain circumstances set out in the Maples DSA. Pursuant to the Maples DSA, none of Maples Fiduciary or any of the directors provided by Maples Fiduciary will be liable for any damages, losses, costs or expenses whatsoever to or of the Fund at any time from any cause whatsoever unless caused by the actual fraud, bad faith, willful misconduct or gross negligence of Maples Fiduciary or, as the case may be, any of the directors provided by Maples Fiduciary. In addition, none of Maples Fiduciary or any of the directors provided by Maples Fiduciary will be liable to the Fund under or in connection with the Maples DSA in an amount of more than US\$5,000,000, except in circumstances where such liability was caused by the actual fraud of Maples Fiduciary or, as the case may be, any of the directors provided by Maples Fiduciary. The Maples DSA also provides that the Fund will indemnify and hold harmless Maples Fiduciary, its successors and assigns and their respective directors, officers, shareholders, employees and agents, the directors provided pursuant to the Maples DSA and, where any of these are companies, their respective directors, officers, shareholders, employees and agents (collectively, the “**Maples Indemnified Parties**”) and each of them, as the case may be, against all liabilities, obligations, losses, damages, penalties, actions, proceedings, claims, judgments, demands, costs, expenses or disbursements of any kind (including legal fees and expenses), whatsoever which they or any of them may incur or be subject to in consequence of the Maples DSA or as a result of the performance of the functions and services provided for under the Maples DSA except as a result of the actual fraud, bad faith, willful misconduct or gross negligence of the relevant Maples Indemnified Party and this indemnity shall expressly inure to the benefit of any such Maples Indemnified Party existing or future. This indemnity shall be in addition to the indemnification provisions within the Articles. No person shall be found to have committed actual fraud, bad faith, willful misconduct or gross negligence under the Maples DSA unless or until a court of the Cayman Islands has reached a final non-appealable determination to that effect.

The fee for each of the Directors for 2019 will be US\$12,500, plus out of pockets expenses.

#### *Listing Sponsor Agreement – The International Stock Exchange*

Carey Olsen Corporate Finance Limited (“**COCFL**”) and the Fund have entered into a listing sponsorship agreement dated February 3, 2017 (the “**COCFL Sponsorship Agreement**”). COCFL has agreed to undertake to the Fund to sponsor the formal listing of the Fund on TISE and to provide continuing services to the Fund in line with TISE listing rules. The COCFL Sponsorship Agreement is governed by the laws of Jersey and the Royal Court of Jersey shall have exclusive jurisdiction in relation to any matter arising from the COCFL Listing Sponsorship Agreement.

#### *Listing Sponsor Agreement - Cayman Islands Stock Exchange*

No separate listing sponsor agreement will be entered into between the Fund and Maples and Calder with respect to Maples and Calder’s role as the Fund’s listing on the Cayman Islands Stock Exchange.

**Documents on display**

Copies of the following documents will be available for inspection during normal business hours on any weekday (public holidays excepted) at the registered office of the Fund and on the Investment Manager's websites [www.credit-suisse.com/gg/en/asset-management/qtfund.html](http://www.credit-suisse.com/gg/en/asset-management/qtfund.html) and [www.credit-suisse.com/ky/en/asset-management/qtfund.html](http://www.credit-suisse.com/ky/en/asset-management/qtfund.html):

- Articles (registered office only);
- the most recent audited financial statements and unaudited interim financial statements for the Fund, when available; and
- this Prospectus.

## LEGAL COUNSEL

Schulte Roth & Zabel LLP and Schulte Roth & Zabel International LLP (together, “**SRZ**”) have been engaged by the Investment Manager to represent it as US and UK legal counsel in connection with the organization of the Fund and this offering of Shares. SRZ also has been engaged by the Board of Directors to represent the Fund in connection with these matters and other matters for which it is retained to do so. Maples and Calder (“**Cayman Counsel**”) and Carey Olsen (Guernsey) LLP (“**Guernsey Counsel**”, together with SRZ and Cayman Counsel, “**Legal Counsel**”) have been engaged to act as Cayman Islands legal counsel and Guernsey legal counsel, respectively, by the Board of Directors with respect to the Fund. In connection with the Fund’s offering of Shares and subsequent advice to the Fund, Legal Counsel will not be representing Shareholders. No separate counsel has been engaged to independently represent the Shareholders in connection with these matters.

Each Legal Counsel will represent the Fund on matters for which it is retained to do so. Other counsel may also be retained where the Investment Manager, on its own behalf, or the Board of Directors, with respect to the Fund, determines that to be appropriate.

Each Legal Counsel’s representation of the Fund is limited to specific matters as to which they have been consulted by the Fund. There may exist other matters that could have a bearing on the Fund as to which a Legal Counsel has not been consulted. In connection with the preparation of this Prospectus (i) SRZ is responsible only for matters of United States and United Kingdom law and does not accept responsibility in relation to any other matters referred to or disclosed in this Prospectus, (ii) Cayman Counsel is responsible only for matters of Cayman Islands law and does not accept responsibility in relation to any other matters referred to or disclosed in this Prospectus, and (iii) Guernsey Counsel is responsible only for matters of Guernsey law and does not accept responsibility in relation to any other matters referred to or disclosed in this Prospectus. In advising the Fund and the Investment Manager with respect to the preparation of this Prospectus, each Legal Counsel has relied upon information that has been furnished to it by the Fund, the Investment Manager and their affiliates, and has not independently investigated or verified the accuracy or completeness of the information set forth herein. In addition, Legal Counsel does not monitor the compliance of the Fund or the Investment Manager with the investment guidelines, valuation procedures and other guidelines set forth in this Prospectus, the Fund’s terms or compliance with applicable laws.

There may be situations in which there is a “conflict” between the interests of the Investment Manager and those of the Fund. In these situations, such parties will determine the appropriate resolution thereof, and may seek advice from Legal Counsel in connection with such determinations. In general, independent counsel will not be retained to represent the interests of the Fund or the Shareholders.

## APPENDIX A

### REGULATION S DEFINITION OF US PERSON

Pursuant to Rule 902(k) of Regulation S under the Securities Act:

- (1) “US 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 US person;
  - (iv) any trust of which any trustee is a US 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 US 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; and
  - (viii) any partnership or corporation if:
    - (A) organized or incorporated under the laws of any foreign jurisdiction; and
    - (B) formed by a US person principally for the purpose of investing in securities not registered under the Securities Act, unless it is organized or incorporated, and owned, by accredited investors (as defined in Rule 501(a) under the Securities Act) who are not natural persons, estates or trusts.
- (2) The following are not “US persons”:
  - (i) any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a non-US person by a dealer or other professional fiduciary organized, incorporated, or (if an individual) resident in the United States;
  - (ii) any estate of which any professional fiduciary acting as executor or administrator is a US person if:
    - (A) an executor or administrator of the estate who is not a US person has sole or shared investment discretion with respect to the assets of the estate; and
    - (B) the estate is governed by foreign law;

- (iii) any trust of which any professional fiduciary acting as trustee is a US person, if a trustee who is not a US 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 US person;
- (iv) 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;
- (v) any agency or branch of a US person located outside the United States if:
  - (A) the agency or branch operates for valid business reasons; and
  - (B) 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; and
- (vi) 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.

## APPENDIX B

### RESTRICTIONS ON DISTRIBUTION

No broker, dealer or other person (including the Investment Manager) has been authorized by the Fund to issue any advertisement or to give any information or to make any representations in connection with the placement or offering of Shares other than those contained in this Prospectus and, if issued, given or made, such advertisement, information or representation must not be relied upon as having been authorized by the Fund

This Prospectus does not constitute, and may not be used for the purposes of, an offer or solicitation to anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation. The distribution of this Prospectus and the offering of Shares in certain jurisdictions may be restricted and accordingly persons into whose possession this Prospectus comes are required to inform themselves about and to observe such restrictions.

Prospective investors should not treat the contents of this Prospectus as advice relating to legal, taxation, investment or any other matters. Prospective investors should inform themselves as to: (a) the legal requirements within their own countries for the purchase, holding, transfer or other disposal of Shares; (b) any foreign exchange restrictions applicable to the purchase, holding, transfer or disposal of Shares which they might encounter, and (c) the income and other tax consequences which may apply in their own countries as a result of the purchase, transfer or disposal of Shares. Prospective investors must rely upon their own legal advisers, accountants and other financial advisers as to legal, tax, investment or any other related matters concerning the Fund and any investment therein.

This Prospectus should be read in its entirety before making any application for Shares.

**European Economic Area:** In each member state (each, a “**Relevant Member State**”) of the European Economic Area that has implemented the AIFM Directive, the Shares may only be offered to investors in accordance with the local measures implementing the AIFM Directive (such as where this Prospectus provides that the Fund has been registered for the purposes of the national private placement of the Relevant Member State), or in any other circumstances permitted by local law, including at the own initiative of the investor.

In relation to offers in the European Economic Area, the Shares are not intended to be offered, or otherwise made available, to any person categorised as (i) a “retail client” (as defined in point (11) of Article 4(1) of MiFID II); or (ii) a “customer” (within the meaning of Directive 2002/92/EC on Insurance Mediation), where such customer does not qualify as a “professional client” (as defined in point (10) of Article 4(1) of MiFID II).

**Hong Kong:** The contents of this Prospectus have not been reviewed by any regulatory authority in Hong Kong. Prospective investors are advised to exercise caution in relation to the offer. Prospective investors in any doubt about any of the contents of this Prospectus should obtain independent professional advice.

This Prospectus has not been approved by the Securities and Futures Commission in Hong Kong. Accordingly (a) the Shares may not be offered or sold and have not been offered or sold in Hong Kong, by means of any document other than (i) to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (ii) in

other circumstances which do not result in the document being a “prospectus” as defined in the Companies Ordinance (Cap. 622) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and (b) no person has issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Shares, which is directed at, or the contents of which are or are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under securities laws of Hong Kong) other than with respect to Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” within the meaning of the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance.

This Prospectus is delivered only to the recipient solely for the purpose of evaluating a possible investment in the Fund and may not be used, copied, reproduced or distributed in whole or in part, to any other person (other than professional advisors of the prospective investor receiving this Prospectus). Subscriptions will not be accepted from any person other than the person to whom this Prospectus has been delivered.

**United Kingdom:** In the United Kingdom, this Prospectus is only available to persons who are (i) investment professionals within the meaning of Article 19 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “**FPO**”) or Article 14 of the Financial Services and Markets Act 2000 (Promotion of Collective Investment Schemes) (Exemptions) Order 2001 (the “**PCIS Order**”), as applicable; (ii) high net worth companies and certain other entities falling within Article 49 of the FPO or Article 22 of the PCIS Order; or (iii) any other persons to whom the Shares may lawfully be promoted. It must not be acted, or relied upon by any other persons. The Fund has not been authorized or recognised by the Financial Conduct Authority and investors will not have the benefit of the Financial Services Compensation Scheme or other protections afforded of the United Kingdom regulatory system.

**United States:** There will be no public offering of Shares in the United States. The Shares will not generally be available to US Persons unless they are a “qualified purchaser” as such terms are defined under applicable US federal securities laws.

**Generally:** This Prospectus does not constitute an offer to sell or issue, or the solicitation of an offer to purchase or subscribe for, Shares in any jurisdiction in which such offer or solicitation is unlawful.



**APPENDIX I**

**Amended and Restated Memorandum and Articles of Association of the Fund**

Registrar of Companies  
Government Administration Building  
133 Elgin Avenue  
George Town  
Grand Cayman

**QT Fund Ltd (ROC #315067) (the "Company")**

**TAKE NOTICE** that by written resolution of the Sole Shareholder of the Voting Shares of the Company dated 1 February 2017, the following special resolution was passed:

**THAT** the Memorandum and Articles of Association of the Company currently in effect be amended and restated by their deletion in their entirety and the substitution in their place of the Amended and Restated Memorandum and Articles of Association annexed hereto.



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Mysti Suckoo  
Corporate Administrator  
for and on behalf of  
Maples Corporate Services Limited

Dated this 1<sup>st</sup> day of February 2017.



**THE COMPANIES LAW (2016 REVISION)  
OF THE CAYMAN ISLANDS  
COMPANY LIMITED BY SHARES**

**AMENDED AND RESTATED  
MEMORANDUM AND ARTICLES OF ASSOCIATION**

**OF**

**QT FUND LTD**

**(Adopted by Special Resolution dated 1 February 2017)**



**THE COMPANIES LAW (2016 REVISION)  
OF THE CAYMAN ISLANDS  
COMPANY LIMITED BY SHARES**

**AMENDED AND RESTATED  
MEMORANDUM OF ASSOCIATION  
OF  
QT FUND LTD**

**(Adopted by Special Resolution dated 1 February 2017)**

- 1 The name of the Company is **QT Fund Ltd**
- 2 The Registered Office of the Company shall be at the offices of Maples Corporate Services Limited, PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands, or at such other place within the Cayman Islands as the Directors may decide.
- 3 The objects for which the Company is established are unrestricted and the Company shall have full power and authority to carry out any object not prohibited by the laws of the Cayman Islands.
- 4 The liability of each Member is limited to the amount unpaid on such Member's Shares.
- 5 The share capital of the Company is US\$50,000 divided into 1,000 Voting Shares of US\$1.00 par value each and 49,000,000 Participating Shares of US\$0.001 par value each.
- 6 The Company has power to register by way of continuation as a body corporate limited by shares under the laws of any jurisdiction outside the Cayman Islands and to be deregistered in the Cayman Islands.
- 7 Capitalised terms that are not defined in this Memorandum of Association bear the respective meanings given to them in the Articles of Association of the Company.



**THE COMPANIES LAW (2016 REVISION)  
OF THE CAYMAN ISLANDS  
COMPANY LIMITED BY SHARES**

**AMENDED AND RESTATED  
ARTICLES OF ASSOCIATION  
OF  
QT FUND LTD**

**(Adopted by Special Resolution dated 1 February 2017)**

**1 Interpretation**

1.1 In these Articles, Table A in the First Schedule to the Statute does not apply and unless there is something in the subject or context inconsistent therewith:

**"Administrator"** means the person, firm or corporation appointed and from time to time acting as administrator of the Company.

**"AEOI"** means:

- (i) sections 1471 to 1474 of the US Internal Revenue Code of 1986 and any associated legislation, regulations or guidance, and any other similar legislation, regulations or guidance enacted in any other jurisdiction which seeks to implement similar financial account information reporting and/or withholding tax regimes;
- (ii) the OECD Standard for Automatic Exchange of Financial Account Information in Tax Matters – the Common Reporting Standard and any associated guidance;
- (iii) any intergovernmental agreement, treaty, regulation, guidance, standard or other agreement between the Cayman Islands (or any Cayman Islands government body) and any other jurisdiction (including any government bodies in such jurisdiction), entered into



in order to comply with, facilitate, supplement or implement the legislation, regulations or guidance described in sub-paragraphs (i) and (ii); and

- (iv) any legislation, regulations or guidance in the Cayman Islands that give effect to the matters outlined in the preceding sub-paragraphs.

<b>"Affiliate"</b>	means, with respect to any specified Person, a Person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, the Person specified, and the term <b>"Affiliated"</b> shall be construed accordingly. The term <b>"control"</b> means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.
<b>"AIFM"</b>	means any person, firm or corporation as may be appointed from time to time and acting as the alternative investment fund manager of the Company (if any) pursuant to the AIFMD Rules, which may be the Investment Manager or any other service provider to the Company.
<b>"AIFMD"</b>	means Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No 1060/2009 and (EU) No 1095/2010, including, where the context so requires, any delegated acts and regulations and implementing legislation made thereunder which applies in United Kingdom (as each may be supplemented or amended from time to time).
<b>"AIFMD Rule"</b>	means (i) any law and/or regulation of any EEA member state made for the purposes of implementing the AIFMD; (ii) any rule that is made by any EEA regulatory authority for the purposes of implementing the AIFMD; or (iii) any EU regulation made under the AIFMD that is directly applicable in the EU.
<b>"Articles"</b>	means these articles of association of the Company.
<b>"Auditor"</b>	means the person (if any) for the time being performing the duties of auditor of the Company.
<b>"Business Day"</b>	means any day normally treated as a business day in such places and/or on such markets as the Directors may from time to time determine and/or such other day or days as the Directors may determine in any particular case from time to time.



<b>"Cayman Islands"</b>	means the British Overseas Territory of the Cayman Islands.
<b>"Class"</b>	means a separate class of Participating Share (and includes any sub-class of any such class).
<b>"Company"</b>	means the above-named Company.
<b>"CS"</b>	means Credit Suisse AG, Guernsey Branch and/or Credit Suisse (Hong Kong) Limited.
<b>"Depository"</b>	means any person, firm or corporation (if any) appointed and for the time being acting as depository of the Company, pursuant to these Articles.
<b>"Directors"</b>	means the directors for the time being of the Company.
<b>"Dollars" or "US\$"</b>	refers to the currency of the United States.
<b>"EEA"</b>	means the European Economic Area.
<b>"Electronic Record"</b>	has the same meaning as in the Electronic Transactions Law.
<b>"Electronic Transactions Law"</b>	means the Electronic Transactions Law (2003 Revision) of the Cayman Islands.
<b>"Eligible Investor"</b>	means a person eligible to hold Participating Shares, as determined from time to time by the Directors.
<b>"Eligible Request"</b>	has the meaning given to it in Article 36.3.
<b>"EU"</b>	means the European Union.
<b>"Gross Negligence"</b>	in relation to a person means a standard of conduct beyond negligence whereby that person acts with reckless disregard for the consequences of a breach of a duty of care owed to another.
<b>"Investment Management Agreement"</b>	means the investment management agreement between the Company and the Investment Manager, as amended or supplemented from time to time.
<b>"Investment Manager"</b>	means the person, firm or corporation appointed and for the time being acting as the investment manager of the Company.
<b>"Majority in Interest of Unaffiliated Investors"</b>	has the meaning given to it in Article 36.4.
<b>"Member" or</b>	means each person whose name is, from time to time and for the



<b>"Shareholder"</b>	time being, entered in the Register of Members as the holder of one or more Shares.
<b>"Memorandum"</b>	means the memorandum of association of the Company.
<b>"Net Asset Value"</b>	means the value of the assets less the liabilities of the Company, or of a Separate Account (as the context may require), calculated in accordance with these Articles.
<b>"Net Asset Value per Participating Share"</b>	means the amount determined in accordance with these Articles as being the Net Asset Value per Participating Share of a particular Class and/or Series.
<b>"Ordinary Resolution"</b>	means a resolution passed by a simple majority of the votes of such Members as, being entitled to do so, vote in person or, where proxies are allowed, by proxy at a general meeting, and includes a unanimous written resolution.
<b>"Participating Share"</b>	means a participating redeemable Share in the capital of the Company of US\$0.001 par value and having the rights provided for in these Articles. Participating Shares may be divided into Classes in the discretion of the Directors in accordance with the provisions of these Articles and each Class may be further divided into different Series of Participating Shares and the term "Participating Share" shall include all such Classes and Series of Participating Share.
<b>"Person"</b>	means any individual or entity, including a corporation, partnership, association, limited liability company, limited liability partnership, joint-stock company, trust, unincorporated association, government or governmental agency or authority.
<b>"Prohibited Person"</b>	means any person who fails to supply information (which the Directors determine is necessary or appropriate) to the Company in accordance with the Articles in connection with AEOI or any similar regimes or any person who by virtue of his holding of Shares might, in the opinion of the Directors, cause or be likely to cause the Company or the Investment Manager: <ul style="list-style-type: none"> <li>(a) to be in violation of the United States Securities Act of 1933;</li> <li>(b) to be required to register under the United States Investment Company Act of 1940, the United States Investment Advisers Act of 1940 or to file a prospectus with the United States Commodity Futures Trading Commission or the United States National Futures Association pursuant to</li> </ul>



regulations under the United States Commodity Exchange Act of 1934 or any other comparable legislation in any jurisdiction other than the Cayman Islands or the Bailiwick of Guernsey; or

(c) to be subject to obligations under the United States Employee Retirement Income Security Act of 1974.

- "Prospectus"** means a prospectus or other offering document relating to Participating Shares of any Class and/or Series as amended or supplemented from time to time subject to and in accordance with these Articles.
- "Redemption Date"** means, in relation to any Class and/or Series of Participating Shares, such day or days as are set out in the Prospectus or as may be specified by the Directors from time to time, upon which a Member is entitled to require the redemption of Participating Shares of that Class and/or Series.
- "Redemption Fee"** means such fee or expenses (if any) payable by a Member to the Company on a redemption of Participating Shares, as the same may be determined by the Directors and disclosed to the Member at the time of its subscription for such Participating Shares.
- "Redemption Notice"** means a notice in a form approved by the Directors by which a holder of Participating Shares is entitled to require the Company to redeem its Participating Shares.
- "Redemption Price"** means the price determined in accordance with these Articles at which redeemable Participating Shares of the relevant Class and/or Series may be redeemed.
- "Register of Members"** means the register of Members, which shall be maintained in accordance with the Statute and includes (except where otherwise stated) any branch or duplicate Register of Members.
- "Registered Office"** means the registered office for the time being of the Company.
- "Removal Action"** has the meaning given to it in Article 36.4.
- "Removal Date"** has the meaning given to it in Article 36.4.
- "Sales Charge"** means such sales charge (if any) determined by the Directors as being payable by a subscriber on a subscription for Participating Shares of any Class and/or Series.



"Seal"	means the common seal of the Company and includes every duplicate seal.
"Separate Account"	means a separate internal account of the Company which the Directors may establish and cause to be maintained in accordance with these Articles.
"Series"	means a separate series or designation of Participating Share (and includes any sub-series or sub-designation of any such series).
"Share" and "Shares"	means a share or shares of any class or series in the Company, including a Voting Share or a Participating Share, as well as any fraction of a Share.
"Share Rights"	means, with respect to the Participating Shares of any Class or Series in issue, the class rights for the time being applicable to such Participating Shares or other terms of offer for the time being applicable to such Participating Shares whether set out in the Prospectus, any subscription agreement or otherwise (including any representations, warranties or other disclosure relating to the offer or holding of such Participating Shares).
"Special Resolution"	has the same meaning as in the Statute, and includes a unanimous written resolution.
"Statute"	means the Companies Law (2016 Revision) of the Cayman Islands.
"Subscriber"	means the subscriber to the Memorandum.
"Subscription Date"	means, in relation to Participating Shares of any Class and/or Series, such day or days as are set out in the Prospectus or as may be specified by the Directors from time to time upon which a person may subscribe for Participating Shares of that Class and/or Series.
"Subscription Price"	means the price determined in accordance with these Articles at which Participating Shares of the relevant Class and/or Series may be subscribed.
"Successor Board"	has the meaning given to it in Article 36.4.
"Suspension"	means a determination by the Directors to postpone or suspend (i) the calculation of the Net Asset Value of Participating Shares of any one or more Classes and/or Series (and the applicable Valuation Date) (a " <b>Calculation Suspension</b> "); (ii) the sale, allotment or issue of Participating Shares of any one or more Classes and/or Series (and the applicable Subscription Date) (an " <b>Issue Suspension</b> "); (iii)



the redemption by Members (in whole or in part) of Participating Shares of any one or more Classes and/or Series (and the applicable Redemption Date) (a "**Redemption Suspension**"); and/or (iv) the payment (in whole or in part) of any redemption proceeds (even if Valuation Dates and Redemption Dates are not postponed) (a "**Payment Suspension**").

**"Transfer"**

means, in respect of any Share, any sale, assignment, exchange, transfer, pledge, conveyance, encumbrance or other disposition of that Share or any beneficial interest therein, and "**Transferred**" shall be construed accordingly.

**"Treasury Share"**

means a Share held in the name of the Company as a treasury share in accordance with the Statute.

**"Unaffiliated Investors"**

means investors in any Voting Fund (including Members) other than (i) CS, (ii) the Investment Manager, any person or entity Affiliated with the Investment Manager and any of its or their directors, officers, employees, members of the immediate families thereof or trusts or other entities established by any of them or for the benefit of any of them; provided that any fund or other investment entity in respect of which the Investment Manager or any of its Affiliates serves as general partner, investment manager or in a similar capacity shall be treated as an Unaffiliated Investor, unless the Investment Manager or any of its Affiliates makes investment decisions and/or controls such entity's right to vote its interest in the Voting Fund in which it is invested.

**"Valuation Date"**

means, in relation to each Class and/or Series of Participating Shares, the Business Day or Business Days determined from time to time by the Directors to be the day or days on which the Net Asset Value per Participating Share of that Class and/or Series is calculated.

**"Valuation Point"**

means, with respect to any Class and/or Series, the time or times on the Valuation Date of such Class and/or Series at which the Directors determine that the Net Asset Value per Participating Share of that Class and/or Series shall be calculated.

**"Volcker Rule"**

means the prohibitions and restrictions of Section 13 of the Bank Holding Company Act of the United States and its implementing regulations.

**"Voting Fund"**

means (i) the Company, (ii) any Affiliated feeder fund (i.e. any feeder fund for which the Investment Manager or its Affiliate serves as investment manager and/or Voting Funds Management) invested



directly or indirectly in the Company as determined by the Directors, and/or (iii) any Affiliated master fund (i.e. any master fund for which the Investment Manager or its Affiliate serves as investment manager and/or Voting Funds Management) into which the Company invests and any Affiliated feeder fund (i.e. any feeder fund for which the Investment Manager or its Affiliate serves as investment manager and/or Voting Funds Management) investing in the same master fund as determined by the Directors.

**"Voting Funds Management"**

means the Directors of the Company, the Investment Manager and any sub-investment manager that may be appointed from time to time and all persons or entities serving in a similar capacity to any other Voting Fund.

**"Voting Share"**

means a voting non-participating Share in the capital of the Company of US\$1.00 par value designated as a Voting Share and having the rights provided for in these Articles.

1.2 In these Articles:

- (a) the singular number includes the plural number and vice versa;
- (b) the masculine gender includes the feminine gender;
- (c) persons includes corporations;
- (d) "written" and "in writing" include all modes of representing or reproducing words in visible form, including in the form of an Electronic Record;
- (e) "shall" shall be construed as imperative and "may" shall be construed as permissive;
- (f) references to provisions of any law or regulation shall be construed as references to those provisions as amended, modified, re-enacted or replaced from time to time;
- (g) any phrase introduced by the terms "including", "include", "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms;
- (h) the term "and/or" is used herein to mean both "and" as well as "or." The use of "and/or" in certain contexts in no respects qualifies or modifies the use of the terms "and" or "or" in others. "Or" shall not be interpreted to be exclusive, and "and" shall not be interpreted to require the conjunctive — in each case, unless the context otherwise requires;
- (i) any reference to the powers of the Directors shall include, when the context admits, the service providers or any other person to whom the Directors may delegate their powers;



- (j) any requirements as to delivery under the Articles include delivery in the form of an Electronic Record;
- (k) any requirements as to execution or signature under the Articles including the execution of the Articles themselves can be satisfied in the form of an electronic signature as defined in the Electronic Transactions Law;
- (l) sections 8 and 19(3) of the Electronic Transactions Law shall not apply; and
- (m) headings are inserted for reference only and shall be ignored in construing these Articles.

1.3 Nothing in these Articles shall be construed so as to prohibit the Company, the AIFM, the Investment Manager, the Depository or any other service provider to the Company from complying with applicable laws, rules and/or regulations including but not limited to any applicable AIFMD Rules. Furthermore, the terms of the appointment of any AIFM, Investment Manager, Depository and other service provider shall be in accordance with applicable laws, rules and/or regulations including but not limited to any applicable AIFMD Rules.

## **2 Commencement of Business and Investment Objective and Program**

- 2.1 The business of the Company may be commenced as soon after incorporation as the Directors shall see fit.
- 2.2 The Directors may pay, out of the capital or any other monies of the Company, all expenses incurred in or about the formation and operation of the Company, including the expenses of registration and the initial offering of Participating Shares.
- 2.3 The Company's investment objective and program is as set forth in the Prospectus.

## **3 Service Providers**

- 3.1 The Directors may appoint any person, firm or corporation to act as a service provider to the Company (whether in general or in respect of any Class and/or Series of Shares) and may entrust to and confer upon any such service providers any of the functions, duties, powers and discretions exercisable by them as Directors, upon such terms and conditions (including as to remuneration payable by the Company) and with such powers of delegation, but subject to such restrictions, as they think fit. Without limiting the generality of the foregoing, such service providers may include managers, investment advisers, administrators, auditors, registrars, transfer agents, custodians and prime brokers.
- 3.2 Without prejudice to the generality of the preceding Article, the Directors may appoint any person, firm or corporation to act as the Investment Manager with respect to the assets of the Company (whether in general or in respect of any Class and/or Series of Shares). The Directors may entrust to and confer upon the Investment Manager any of the functions, duties, powers and discretions exercisable by them as Directors upon such terms and conditions (including as to



remuneration payable by the Company) and with such powers of delegation, but subject to such restrictions, as they think fit.

- 3.3 Without limitation to the foregoing provisions of this Article, the Directors, or the AIFM on the Company's behalf as directed or otherwise approved by the Directors, may agree the transfer and reuse of the Company's assets on such terms as the Directors, or the AIFM on the Company's behalf as directed or otherwise approved by the Directors, may from time to time determine.
- 3.4 The Directors, or the AIFM on the Company's behalf, may appoint as Depositary any person, firm or corporation which shall perform such duties as the Directors may (with the agreement of the Depositary) determine. Under the terms of its appointment, the Depositary may discharge any of its obligations to the extent permitted by applicable laws, rules and/or regulations. Without limitation, where the law of a third country requires certain financial instruments to be held in custody by a local entity, the terms of appointment of the Depositary may provide that the Depositary is not required to return a financial instrument of the identical type or the corresponding amount to the Company, or the AIFM acting on behalf of the Company.

#### **4 Rights attaching to Shares**

4.1 The Voting Shares shall have the following rights:

- (a) as to voting: the holder of a Voting Share shall (in respect of such Voting Share), subject to Article 55, have the right to receive notice of, attend at and vote as a Member at any general meeting of the Company; and
- (b) as to capital: a Voting Share shall confer upon the holder the right in a winding-up to repayment of capital as set out in these Articles but shall confer no other right to participate in the profits or assets of the Company; and
- (c) as to income: no dividends shall be payable on the Voting Shares.

4.2 The Participating Shares shall have the following rights:

- (a) as to voting: the holder of a Participating Share shall not (in respect of such Participating Share) have the right to receive notice of, attend at or vote as a Member at any general meeting of the Company, but may vote at a separate Class meeting convened in accordance with these Articles and may vote as provided by Article 18.5 and Article 36; and
- (b) as to capital: a Participating Share shall confer upon the holder thereof the right in a winding up to participate in the surplus assets of the Company by reference to the Separate Account attributable to the relevant Class or Series of Participating Shares after the payment of all creditors and the return of the par value of the Voting Shares to the holders thereof as provided for in these Articles; and



(c) as to income: the Participating Shares shall confer on the holders thereof the right to receive dividends as provided for in these Articles.

4.3 A Successor Board shall, immediately following its appointment, require a Member to transfer all of the Voting Shares that it holds to such person nominated, with such person's consent, by such Successor Board. Upon requiring a Member to transfer all of its Voting Shares under this Article, such Directors shall give the Member such notice of the transfer as they shall determine. The amount to be paid to the transferor for a Voting Share that is the subject of such a compulsory transfer shall be US\$1.50 per Voting Share so transferred. If within a period of twenty one days after being required to transfer such Voting Share, the Member fails to present for registration a signed instrument of transfer the Directors may authorise some person to sign an instrument of transfer on behalf of such Member in favour of the nominated transferee and shall cause the name of the nominated transferee to be entered on the Register of Members as the holder of the Voting Share. After the transferee's name is entered on the Register of Members the validity of such transfer shall not be questioned by any person.

4.4 During the period commencing with the approval of a Removal Action in accordance with Article 36.4 and ending with the Successor Board being appointed, the holder of a Voting Share shall not (in respect of such Voting Share) have the right to receive notice of, attend at and vote as a Member at any general meeting of the Company in respect of any matter that would prevent the Successor Board from being appointed as contemplated pursuant to Article 36.4.

## 5 Share Capital

5.1 Subject to these Articles, the Directors may allot, issue, grant options or warrants over, or otherwise dispose of Shares in separate classes and/or series with different terms, preferences, privileges or special rights including, without limitation, with respect to investment strategy and/or policy, participation in assets, profits and losses of the Company, voting, fees charged (including management, performance and incentive fees and allocations), currency, redemption privileges, allocation of costs and expenses (including, without limitation, the costs and expenses incurred in any hedging activities and any profits and losses arising therefrom) as they think proper. Subject to the Statute, these Articles and any applicable subscription agreement, any Share Rights (other than those set out in these Articles or set out in a Special Resolution) may be varied by either the Directors or by Ordinary Resolution. Notwithstanding the foregoing, the Subscriber shall have the power to:

- (a) issue one Share to itself;
- (b) transfer that Share by an instrument of transfer to any person; and
- (c) update the Register of Members in respect of the issue and transfer of that Share.

5.2 On or before the allotment of any Participating Share the Directors shall resolve the Class and/or Series to which such Participating Share shall be classified and may, prior to the issue of any Participating Share, reclassify such Participating Share. Each Class and/or Series shall be specifically identified. Subject to the Statute and these Articles, the Directors may at any time



and without obtaining the consent of the affected Members, re-name any Participating Share and/or re-designate any Participating Share as part of another Class and/or Series to give effect to applicable provisions of the Prospectus or a resolution of the Directors provided that such re-designation does not amount to a variation of the rights attaching to such Participating Share.

- 5.3 Notwithstanding the currency in which the par value of the Participating Shares is denominated, the Directors may specify any currency as the currency in which the Subscription Price, Redemption Price and Net Asset Value of Participating Shares of a Class and/or Series is calculated.
- 5.4 Without limiting the generality of the foregoing, the Directors may, in accordance with any applicable provisions of the Prospectus, effect the re-designation and conversion of Participating Shares or any of them from their existing currency denomination to another currency denomination which such re-designation and conversion shall not constitute a variation of the Share Rights applicable to such Participating Shares.
- 5.5 The Company shall not issue Shares to bearer.
- 5.6 Fractional Shares may be issued.
- 5.7 Shares shall only be issued as fully paid-up.
- 5.8 No right of pre-emption or first refusal shall attach to any Shares.

## **6 Allotment and Issue of Participating Shares**

- 6.1 The Directors may from time to time allot and issue Participating Shares of any Class and/or Series. The Directors may, in their discretion, refuse to allot and issue any Participating Shares, and shall not issue any Participating Shares to or for the account of an investor who is not an Eligible Investor. If the Directors have declared a Calculation Suspension or Issue Suspension, no Participating Shares of that Class or Series (as appropriate) shall be issued until the relevant Suspension has ended.
- 6.2 The Directors shall determine the Subscription Price at the time of issue of the first issue of Participating Shares of any Class and/or Series. Thereafter, the Directors may allot and issue Participating Shares of the same Class and/or Series on any Subscription Date provided that such additional Participating Shares are issued at a Subscription Price equal to not less than the Net Asset Value per Participating Share of such Class and/or Series calculated on the relevant Subscription Date (or if the Subscription Date is not also a Valuation Date then on the immediately preceding Valuation Date).
- 6.3 The Directors may add to the Subscription Price per Participating Share (before making any rounding adjustment) an amount which they consider to be an appropriate allowance to reflect fiscal and purchase charges which would be incurred for the account of the Company in investing an amount equal to the Subscription Price. The Directors may also add, in their discretion, a Sales Charge and/or an amount equal to any stamp duty and any other governmental taxes or



charges payable by the Company with respect to the issue of such Participating Shares or may, in their discretion, deduct such Sales Charge and/or amount equal to such stamp duty or such other governmental taxes or charges from the amount of the subscription proceeds received and from the balance of such proceeds after such deduction allot and issue Participating Shares at the relevant Subscription Price.

- 6.4 An applicant for Participating Shares shall pay for such Participating Shares in such currencies, in such manner, at such time, in such place and to such person acting on behalf of the Company as the Directors may from time to time determine.
- 6.5 Subject to the terms of any subscription agreement, an application for Participating Shares shall be irrevocable by an applicant for Participating Shares once it has been received by the Company. Participating Shares shall be treated as having been issued with effect from the relevant Subscription Date notwithstanding that the subscriber for those Participating Shares may not be entered in the Register of Members until after the Subscription Date.
- 6.6 Participating Shares shall be issued in such minimum numbers as the Directors may specify either generally or in any particular case; likewise the Directors may from time to time prescribe an amount as the minimum subscription amount.
- 6.7 The Directors may resolve to accept non-cash assets in satisfaction (in whole or in part) of the Subscription Price.
- 6.8 The Directors may require an applicant for Participating Shares to pay to the Company for the benefit of any selling agent such selling commissions or such organisational charges as may have been disclosed to such applicant. The Directors may differentiate between applicants as to the amount of such selling commissions or such organisational charges.
- 6.9 The Company may, in so far as the Statute permits, pay a commission to any person in consideration of that person subscribing or agreeing to subscribe whether absolutely or conditionally for any Participating Shares. Such commissions may be satisfied by the payment of cash and/or the issue of fully or partly paid-up Participating Shares. The Company may also on any issue of Participating Shares pay such brokerage as may be lawful.

## **7 Separate Accounts**

- 7.1 The Directors shall have the power to establish and maintain, with respect to Participating Shares of any Class and/or Series, a Separate Account, to record (purely as an internal accounting matter) the allocation, on a differentiated basis, of the assets and liabilities of the Company to the holders of Participating Shares of any such Class and/or a Series in a manner consistent with the methodology set forth in the Prospectus and/or as the Directors may otherwise determine from time to time and the rights otherwise attaching to the Participating Shares.
- 7.2 The proceeds from the issue of Participating Shares of any Class and/or Series shall be applied in the books of the Company to the Separate Account established for Participating Shares of that Class and/or Series. The assets and liabilities and income and expenditure attributable to that



Separate Account shall be applied to such Separate Account and, subject to the provisions of these Articles, to no other Separate Account. In the event that the assets of a Separate Account referable to any Class and/or Series are exhausted, any and all unsatisfied claims which any Members or former Members referable to that Class and/or Series have against the Company shall be extinguished. The Members or former Members referable to a Class and/or Series shall have no recourse against the assets of any other Separate Account established by the Company.

- 7.3 Where any asset is derived from another asset (whether cash or otherwise), such derivative asset shall be applied in the books of the Company to the same Separate Account as the asset from which it was derived, and on each revaluation of an asset the increase or diminution in value shall be applied to the same Separate Account and, subject to the provisions of these Articles, to no other Separate Account.
- 7.4 In the case of any asset or liability of the Company which the Directors do not consider is attributable to a particular Separate Account, the Directors shall have discretion to determine the basis upon which any such asset or liability shall be allocated between or among Separate Accounts.
- 7.5 The Directors may, in the books of the Company, allocate assets and liabilities to and from Separate Accounts if, as a result of a creditor proceeding against certain of the assets of the Company or otherwise, a liability would be borne in a different manner from that in which it would have been borne if applied under the foregoing Articles.
- 7.6 The Directors may from time to time transfer, allocate or exchange an asset or liability from one Separate Account to another Separate Account provided that at the time of such transfer, allocation or exchange the Directors form the opinion (in good faith) that the value in money or money's worth of each such asset or liability transferred, allocated or exchanged is not significantly less or more than the value in money or money's worth (referred to in these Articles as "proper value") received by the Separate Account from which such asset or liability is transferred, allocated or exchanged except only as is otherwise provided by these Articles.

## **8 Determination of Net Asset Value**

- 8.1 A proper and independent valuation of the assets of the Company shall be performed, and the Net Asset Value and the Net Asset Value per Share shall be calculated and disclosed to Members and prospective investors, in each case in accordance with any applicable requirements of AIFMD and AIFMD Rules (if relevant), any applicable requirements of the Statute and Cayman Islands law generally and the provisions of these Articles and otherwise in such manner and at such times as the Directors may from time to time determine. The Directors shall, in consultation with the AIFM (where the AIFM has valuation responsibilities under AIFMD or AIFMD Rules), further ensure that Members are informed of the Net Asset Value and the Net Asset Value per Share in such manner and at such times as the Directors may from time to time determine as may be disclosed in the Prospectus.



- 8.2 The Net Asset Value and Net Asset Value per Participating Share of each Class and/or Series shall be determined by or on behalf of the Directors as at the relevant Valuation Point on each relevant Valuation Date.
- 8.3 In calculating the Net Asset Value and the Net Asset Value per Participating Share, the Directors shall apply such generally accepted accounting principles as they may determine.
- 8.4 The assets and liabilities of the Company shall be valued in accordance with such policies as the Directors may determine as may be disclosed in the Prospectus from time to time. Absent bad faith or manifest error, any valuation made pursuant to these Articles shall be binding on all persons.
- 8.5 Unless otherwise determined by the Directors in any resolution creating a Class and/or Series of Participating Shares or as otherwise disclosed in any Prospectus, the Net Asset Value per Participating Share of each Class (or Series) shall be determined by allocating *pro rata* the Net Asset Value, as at the relevant Valuation Point, of the Company and/or of the relevant Separate Account among each Class and/or Series, adjusting the amount so calculated to reflect any fees, costs, foreign exchange items or other assets or liabilities which are properly attributable to a specific Class and/or Series and then by dividing the resultant amount by the number of Participating Shares of such Class and/or Series then in issue.
- 8.6 The Directors may determine that the Net Asset Value of any Class and/or Series shall be definitively determined on the basis of estimates and that such determination shall not be modified to reflect final valuations.
- 8.7 Any expense or liability may be amortised over such period as the Directors may determine.
- 8.8 The Directors may establish such reserves as they deem reasonably necessary for Company expenses and any other contingent Company assets or liabilities, and may, upon the reversal or release of such reserves, apply any monies resulting therefrom in such manner as they may, in their absolute discretion, determine.
- 8.9 Net Asset Value per Participating Share shall be rounded to the nearest cent or such other amount as the Directors may determine and the benefit of any such roundings may be retained by the Company.
- 8.10 If the liabilities of a Separate Account exceed its assets on a calculation of Net Asset Value on a Valuation Date then the Directors may attribute the amount by which the liabilities exceed the assets between the other Separate Accounts according to the respective Net Asset Value of the other Separate Accounts and treat them as a liability of each such Separate Account.
- 8.11 The Directors may cause the Company to issue new Participating Shares at par or to compulsorily redeem at par such number of Participating Shares as they consider necessary to address, in such manner as they consider equitable, any prior miscalculation of Net Asset Value or Net Asset Value per Participating Share. The Company shall not be required to pay to the



holder the redemption proceeds of any such compulsorily redeemed Participating Shares, which proceeds shall be retained by the Company.

- 8.12 Where the Net Asset Value per Share of different Classes of Participating Shares is expressed in different currencies, the Directors may determine any particular currency to be the functional currency of the Company from time to time for the purposes of calculating Net Asset Value and Net Asset Value per Share in respect of a particular Class or Series of Participating Shares in order to facilitate such calculations, and the Directors may apply such exchange rates as they may determine from time to time in converting or expressing any such Net Asset Value per Share calculated in the relevant functional currency into or in the relevant currency in which the Net Asset Value per Share of the particular Class or Series is otherwise to be expressed.

## **9 Suspensions**

- 9.1 The Directors may, from time to time, in the manner and circumstances disclosed in the Prospectus, declare a Suspension with respect to any one or more Classes and/or Series of Participating Shares.
- 9.2 The Directors shall notify all Members as soon as practicable of any such Suspension and shall notify such Members as soon as practicable upon termination of such Suspension.

## **10 Transfer of Shares**

- 10.1 Subject to Article 5.1 and Article 55, Shares may not be Transferred without the prior written approval of the Directors (which may be withheld for any or no reason) provided that the Directors may waive this requirement to the extent that they deem appropriate in connection with the listing of any Class or Series of Share on a stock exchange.
- 10.2 The Directors shall not register any Transfer of any Share to any person who is, in the opinion of the Directors, not an Eligible Investor.
- 10.3 Any proposed transferee shall provide to the Directors such information and documents as the Directors may request, including, without limitation, such documents or information as the Directors deem necessary or desirable:
- (a) to enable the Directors to determine that the proposed transferee is an Eligible Investor; and
  - (b) to enable the Company to comply with all applicable laws, including anti-money laundering laws.
- 10.4 The instrument of Transfer of any Share shall be in writing and shall be executed by or on behalf of the transferor (and, if the Directors so require, signed by or on behalf of the transferee). The transferor shall be deemed to remain the holder of a Share until the name of the transferee is entered in the Register of Members.



## 11 Transmission of Shares

- 11.1 If a Member dies, the survivor or survivors (where the Member was a joint holder) or his or her legal personal representatives (where the Member was a sole holder) shall be the only persons recognised by the Company as having any title to the Member's interest in the Company. The death of any Member shall not operate to relieve, waive or reduce any liabilities attaching to the Member's Shares at the time of death and such liabilities shall continue to bind any survivor or survivors, or any personal representative, as the case may be.
- 11.2 Any person becoming entitled to a Share in consequence of the death or bankruptcy, or the liquidation or dissolution, of a Member (or in any other way than by Transfer) and who is an Eligible Investor may, upon delivery to the Directors of such evidence as may from time to time be required by them of:
- (a) such person's entitlement to such Shares; and/or
  - (b) such person's status as an Eligible Investor,
- elect, either to become the holder of such Share or to have such Share Transferred to another Eligible Investor nominated by such person. If such person elects to become the holder of such Share, such person shall give notice in writing to the Directors to that effect, but the Directors shall, in either case, have the same right to decline registration of such person as a holder of such Share as they would have had in the case of a Transfer of the Share by that Member before his or her death or bankruptcy, or liquidation or dissolution, as the case may be.
- 11.3 Any person becoming entitled to a Share in consequence of the death or bankruptcy, or the liquidation or dissolution, of a Member (or in any other way than by Transfer) and who is not an Eligible Investor shall not be registered as the holder of such Share and shall promptly Transfer such Share to an Eligible Investor in accordance with these Articles.
- 11.4 A person becoming entitled to a Share by reason of the death or bankruptcy or liquidation or dissolution of the holder (or in any other case than by Transfer), and who is an Eligible Investor, shall be entitled to the same dividends and other advantages to which such person would be entitled if such person were the registered holder of such Share. However, the person shall not, before becoming a Member in respect of a Share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company and the Directors may at any time give notice requiring any such person to elect either to be registered himself or to have some person nominated by him become the holder of the Share (but the Directors shall, in either case, have the same right to decline or suspend registration as they would have had in the case of a transfer of the Share by the relevant Member before his death or bankruptcy or liquidation or dissolution or any other case than by transfer, as the case may be). If the notice is not complied with within ninety days the Directors may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Share until the requirements of the notice have been complied with.



## 12 Redemption of Shares

- 12.1 Subject to any provisions relating to a specific Class and/or Series as set out in the Prospectus or these Articles or in any resolution constituting a Class and/or Series or otherwise forming part of the special rights of such Participating Shares, a Member may require the redemption of all or any of such Member's Participating Shares by serving a Redemption Notice on the Company. Unless timely receipt is waived by the Directors in a particular case, a Redemption Notice shall be required to be received on or before a Redemption Date with respect to such Participating Shares (or such number of days prior to such Redemption Date as may be determined by the Directors in consultation with the Investment Manager). Any Member redeeming Participating Shares shall submit to the Directors the share certificate (if any) issued in respect of those Participating Shares. The Company shall redeem such Participating Shares at the Redemption Price, being an amount equal to the Net Asset Value per Participating Share of the relevant Class and/or Series prevailing on the relevant Redemption Date (or if the Redemption Date is not a Valuation Date then on the immediately preceding Valuation Date) subject to any deductions, reserves, holdbacks or adjustments provided for in these Articles and/or the Prospectus and/or any applicable subscription agreement.
- 12.2 The Directors may deduct any Redemption Fee from the Redemption Price. The Directors may also deduct such amount which they consider to be an appropriate allowance to reflect fiscal and sale charges which would be incurred for the account of the Company in realising assets or closing out positions to provide funds to meet any redemption request.
- 12.3 A Member may not withdraw a Redemption Notice once submitted to the Company unless the Directors or the Investment Manager determine (in their or its sole discretion) to permit the withdrawal of such redemption request (which they may do in whole or in part). Any withdrawal of the Redemption Notice shall be made in writing. If a relevant Suspension has been declared by the Directors, the right of a Member to have its Participating Shares redeemed shall be suspended and all pending redemptions shall be automatically revoked. Upon the determination by the Directors that the condition giving rise to the relevant Suspension has ceased to exist and no other condition under which such Suspension is authorised exists, such Suspension will be lifted and written notice will be sent to the Members regarding the lifting of such Suspension and the next date as of which Members will be permitted to redeem all or a portion of their Participating Shares.
- 12.4 The Directors or their delegate may impose a gate the effect of which is to limit the redemptions of Participating Shares of any Class and/or Series or to limit the redemptions of Participating Shares held by any Member or Members as of any Redemption Date to such extent and in such manner as is disclosed to the Member at the time of its subscription or in the Prospectus. If the Directors or their delegate determine to limit redemptions, the Directors or their delegate may determine the manner in which such gated redemption requests will be dealt with on any subsequent Redemption Date.
- 12.5 Without prejudice to the Directors' rights to declare a Suspension or impose a redemption gate as provided for in these Articles and/or the Prospectus, the Directors may limit the rights of Members to redeem their Participating Shares from the Company and/or to receive redemption payments



upon the occurrence of any event that may result in dissolution of the Company or as otherwise may be provided for in the Prospectus. In such circumstances the Directors may, inter alia, scale down the amounts to be redeemed to such extent and in such manner as they consider may be necessary. Where any redemption requests have been scaled down or otherwise limited pursuant to this Article, the Directors may take such other steps in respect of such redemption requests as they deem appropriate.

- 12.6 If the Company is required by the laws of any relevant jurisdiction to make a withholding from any redemption monies payable to the holder of Participating Shares the amount of such withholding shall be deducted from the redemption monies otherwise payable to such person.
- 12.7 No redemption of part of a Member's holding of Participating Shares of any one Class and/or Series may be made if, as a result thereof, such Member would hold fewer Participating Shares of such Class and/or Series than such minimum number or value of Participating Shares of such Class and/or Series as may from time to time be specified (either generally or in any particular case or cases) by the Directors. If such partial redemption would reduce such Member's holding of Participating Shares to less than such minimum holding, the Directors may, in their discretion, elect to compulsorily redeem all of such Member's Participating Shares.
- 12.8 The Company may, in the absolute discretion of the Directors, refuse to make a redemption payment to a Member if the Directors suspect or are advised that the payment of any redemption proceeds to such Member may result in a breach or violation of any anti-money laundering law by any person in any relevant jurisdiction, or if such refusal is necessary to ensure the compliance by the Company, its Directors, the Administrator or any other service provider of the Company with any anti-money laundering law in any relevant jurisdiction.
- 12.9 Any amount payable to a Member for the redemption of Participating Shares shall be paid in such currency or currencies as the Directors may determine. Subject to any Payment Suspension, the Company shall remit redemption proceeds (net of the costs of remittance) by cheque or wire transfer within such period or periods as the Directors shall have disclosed to the Member at the time of its subscription for Participating Shares or, in the absence of any such disclosure, within such period or periods as the Directors shall determine. In the absence of directions as to payment the Company may remit redemption proceeds by cheque to the address of the Member appearing on the Register of Members or by wire transfer to such account as the Directors deem appropriate in the circumstances. The Company shall not be liable for any loss resulting from this procedure.
- 12.10 On any redemption of Participating Shares the Directors shall have the power to satisfy (in whole or in part) the Redemption Price (and any other sums payable on redemption as provided in these Articles) owing on the redemption of such Participating Shares by dividing *in specie* the whole or any part of the assets of the Company (including, without limitation, shares, debentures, or securities of any other company whether or not held by the Company on the Redemption Date in question) and either (i) distributing such assets directly to the redeeming shareholder, and/or (ii) distributing or allocating such assets to a liquidating account or other similar mechanism to be managed and/or liquidated at the discretion of the Directors.



- 12.11 Participating Shares shall be treated as having been redeemed with effect from the relevant Redemption Date irrespective of whether or not a Member has been removed from the Register of Members or the Redemption Price has been determined or remitted. Accordingly, on and from the relevant Redemption Date, Members in their capacity as such will not be entitled to or be capable of exercising any rights arising under these Articles with respect to Participating Shares being redeemed (including any right to receive notice of, attend or vote at any meeting of the Company) 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 Participating Shares being redeemed). Such Members will be treated as creditors of the Company with respect to the Redemption Price and will rank accordingly in the priority of the Company's creditors.
- 12.12 Once a Participating Share is redeemed it shall be available for re issue and, until re issue, shall form part of the authorised and unissued share capital of the Company.
- 12.13 Upon the written request of a Member or prospective Member in a form acceptable to the Directors, the Company may, in the discretion of the Directors, accept a standing redemption request from such Member or prospective Member pursuant to which the Company shall agree (without assuming any liability for failing to do so) to use its commercially reasonable efforts to redeem such Member's Participating Shares to the extent necessary to ensure that such Member does not own over a specified percentage of the outstanding Participating Shares of the Company or any Class and/or Series thereof; such percentage to be the percentage identified by such Member or prospective Member in such written request as being the percentage which such Member's or prospective Member's ownership cannot exceed without material risk of such Member or prospective Member being in violation of applicable law or regulation. Any such written request may be revoked by notice in writing to the Company from the affected Member.
- 12.14 No amendment to these Articles made after a Redemption Date shall affect a Member with respect to Participating Shares of that Member which have been redeemed, or are being treated as redeemed, on or prior to that Redemption Date.
- 12.15 Unless otherwise provided in the Prospectus, unremitted redemption proceeds shall not bear interest against the Company and redeemed Participating Shares shall not participate in the profits and losses of the Company with effect from the relevant Redemption Date.

### **13 Compulsory Redemption and Transfer**

- 13.1 The Directors may cause the Company to redeem any or all of the Participating Shares held by any person at the appropriate Redemption Price at any time and for any or no reason without prior notice.
- 13.2 The Directors may require a person to Transfer to an Eligible Investor all or some of his Participating Shares if, in the opinion of the Directors: (i) it is in the interests of the Company to do so; (ii) Participating Shares are held, or would be held, by or for the benefit of a person that is a non-Eligible Investor; or (iii) any other circumstances disclosed in the Prospectus might, in the sole discretion of the Directors, apply (including, without limitation, where any Shares are held



directly or indirectly by a Prohibited Person). If the Directors determine to require a person to Transfer all or some of his Participating Shares under these Articles they shall give the holder of the relevant Participating Shares such notice of the Transfer as they shall determine. Subject to Article 13.8, the amount to be paid to the transferor for a Participating Share the subject of a compulsory Transfer shall be such amount as is reasonably obtainable in the market, less any fiscal charges, fees and expenses incurred by the Company as a result of such compulsory Transfer (which shall be due to the Company).

- 13.3 If a Member the subject of a compulsory Transfer fails to effect the Transfer required within such period as is set forth in the Prospectus or otherwise as the Directors may determine and notify to such Member, the Company or any of its Directors, each acting severally, are hereby irrevocably authorised by such Member and are hereby irrevocably and severally appointed as such Member's attorney-in-fact (each an "**Attorney**") to execute and deliver such documents (including, without limitation, any transfer forms or deeds) as may be necessary and to take such actions as may be required, in the sole discretion and opinion of the relevant Attorney, in order to cause the Member's interest in the relevant Participating Shares the subject of the compulsory Transfer to be transferred in such manner as the Directors shall determine. Pending any such Transfer, no further payments shall be made in respect of such Participating Shares held by such Member and such Participating Shares shall be deemed not to be in issue for the purposes of any vote, consent or direction of the Member and shall not be taken into account for the purposes of calculating any quorum or majority requirements relating thereto, and such Member shall not be entitled to exercise any voting, consent or direction rights in respect of such Participating Shares. The receipt by the Company of the proceeds of sale arising upon any such compulsory Transfer shall be a good discharge to the transferee of the payment of the purchase price to the transferor for such Participating Shares (and the transferee shall not be bound to see to the application thereof) and after the transferee has been registered as a Member in respect of such Participating Shares the validity of the proceedings shall not be questioned by any person.
- 13.4 In order to give effect to the foregoing restrictions and provisions the Company may require any Member to furnish such information and declarations as the Directors may require.
- 13.5 The Directors may cause a compulsory redemption or Transfer during any period for which a Redemption Suspension has been declared.
- 13.6 Without prejudice to the generality of the foregoing, the Company may (without notice) compulsorily redeem the Participating Shares of any Member and, on behalf of such Member, apply the proceeds of redemption in paying for new Participating Shares to give effect to any exchange, conversion or roll-up policy disclosed to Members pursuant to which Participating Shares of one Class or Series (the "**Old Shares**") may, at the option of the Company, be exchanged for Participating Shares of another Class or Series (the "**New Shares**") by means of the redemption of the Old Shares and the immediate re-subscription of the redemption proceeds in paying up the New Shares.
- 13.7 Notwithstanding anything else in this Article 13, the Directors shall not unreasonably limit or restrict the ability of Shareholders who are Unaffiliated Investors to remove the Directors or exercise any other special rights that such Shareholders may otherwise have pursuant to these



Articles, including, without limitation, by exercising any rights to compulsorily redeem the Participating Shares of any such Shareholders.

- 13.8 A compulsory Transfer of Shares held by a Prohibited Person may be effected at such price per Share and in such manner as is set forth in the Prospectus or otherwise in accordance with these Articles. Any Member that does not comply with the terms of any compulsory Transfer notice given by the Directors after becoming a Prohibited Person may be subject to compulsory redemption in respect of all or a portion of their Shares.

## 14 AEOI

- 14.1 Notwithstanding any other Article, in order to comply with AEOI, any Director shall be entitled to release and/or disclose on behalf of the Company to the Cayman Islands Tax Information Authority or equivalent authority (the "TIA") and any other foreign government body as required by AEOI, any information in its or its agents' or delegates' possession regarding a Member including, without limitation, financial information concerning the Member's investment in the Company, and any information relating to any shareholders, principals, partners, beneficial owners (direct or indirect) or controlling persons (direct or indirect) of such Member. Any such Director may also authorise any third party agent, including but not limited to, the Investment Manager or Administrator, to release and/or disclose such information on behalf of the Company.
- 14.2 In order to comply with AEOI and, if necessary, to reduce or eliminate any risk that the Company or its Members are subject to withholding taxes pursuant to AEOI or incur any costs, debts, expenses, obligations or liabilities (whether external, or internal, to the Company) (together, "**costs**") associated with AEOI, the Directors may cause the Company to undertake any of the following actions:
- (a) compulsorily Transfer or redeem any or all of the Shares held by a Member either (i) where the Member fails to provide (in a timely manner) to the Company, or any agent or delegate of the Company, including but not limited to, the Investment Manager or the Administrator, any information requested by the Company or such agent or delegate pursuant to AEOI; or (ii) where there has otherwise been non-compliance by the Company with AEOI whether caused, directly or indirectly, by the action or inaction of such Member, or any related person, or otherwise; and/or
  - (b) deduct from, or hold back, redemption or repurchase proceeds, dividend payments or any other distributions, in order to:
    - (i) comply with any applicable requirement to apply and collect withholding tax pursuant to AEOI;
    - (ii) allocate to a Member an amount equal to any withholding tax imposed on the Company as a result of the Member's, or any related person's, action or inaction (direct or indirect), or where there has otherwise been non-compliance by the Company with AEOI; and/or



- (iii) ensure that any AEOI related costs are recovered from the Member(s) whose action or inaction (directly or indirectly, including the action or inaction of any person related to such Member) gave rise or contributed to such costs.

14.3 In order to give effect to the requirements imposed upon the Company by AEOI, as well as any of the actions contemplated by Articles 14.2(a) and 14.2(b), the Directors may undertake any of the following actions:

- (a) create separate classes and/or series of Shares ("**AEOI Shares**"), with such rights and terms as the Directors may in their sole discretion determine, and following the compulsory redemption of some or all of a Member's Shares may immediately apply such redemption proceeds in subscribing for such number of AEOI Shares as the Directors determine;
- (b) may re-name any number of Shares (whether issued or unissued) as AEOI Shares, create a Separate Account with respect to such AEOI Shares and apply any AEOI related costs or withholding taxes to such Separate Account;
- (c) allocate any AEOI costs or withholding tax among Separate Accounts on a basis determined solely by the Directors; and/or
- (d) adjust the Net Asset Value per Share of any relevant Shares (including any AEOI Share).

## 15 Equalisation

The Directors may determine to adopt equalisation accounting with respect to any Class and in connection therewith:

- (a) the Directors shall be authorised to issue by way of bonus and/or effect the compulsory redemption of Participating Shares at prices other than Net Asset Value per Participating Share. Any such bonus issue and/or compulsory redemption shall be consistent with the relevant provisions of the Prospectus and the Statute;
- (b) the Directors may require any applicant for Participating Shares to pay to or to the order of the Company such amount as the Directors determine as an Equalisation Credit (as that term is defined in the Prospectus);
- (c) a Member redeeming Participating Shares shall be entitled to receive as additional redemption proceeds the amount of any outstanding Equalisation Credit (as recorded on the books of the Company) in the manner provided for in the Prospectus; and
- (d) for the purposes of calculating Net Asset Value, the amount of any Equalisation Credit attributable to Shares as at the Valuation Point on any Valuation Date shall be treated as capital of the Company.



## **16 Purchase and Surrender of Shares**

- 16.1 Subject to the provisions of the Statute and without prejudice to these Articles, the Company may purchase its own Shares (including any redeemable Shares) in such manner and on such other terms as the Directors may agree with the relevant Member.
- 16.2 The Company may make a payment in respect of the redemption or purchase of its own Shares in any manner permitted by the Statute, including out of capital.
- 16.3 The Directors may accept the surrender for no consideration of any fully paid Share.

## **17 Treasury Shares**

- 17.1 The Directors may, prior to the purchase, redemption or surrender of any Share, determine that such Share shall be held as a Treasury Share.
- 17.2 The Directors may determine to cancel a Treasury Share or transfer a Treasury Share on such terms as they think proper (including, without limitation, for nil consideration).

## **18 Variation of Share Rights**

- 18.1 Subject to the Statute, these Articles and any applicable subscription agreement, all or any of the Share Rights applicable to any Class or Series of Participating Shares in issue (unless otherwise provided by the terms of issue of those Participating Shares) may (whether or not the Company is being wound up) be varied without the consent of the holders of the issued Participating Shares of that Class or Series where such variation is considered by the Directors not to have a material adverse effect upon such holders' Share Rights; otherwise, any such variation may be made with the prior consent in writing of the holders of not less than three-fourths by Net Asset Value of such Participating Shares, or with the sanction of a resolution passed by a majority of at least three-fourths of the votes cast in person or by proxy at a separate meeting of the holders of such Participating Shares, and where any such variation of Share Rights in respect of any Class or Series of Participating Shares is so consented to in writing by, or so approved at a separate meeting of, the holders of the Participating Shares of such Class or Series, any holder of Participating Shares of such Class or Series that did not consent to or approve such variation of Share Rights shall, following such variation of Share Rights, be entitled to redeem all (but not a portion) of the Participating Shares it holds in such Class or Series at the next Redemption Date in accordance with the applicable provisions of the Prospectus. For the avoidance of doubt, the Directors reserve the right, notwithstanding that any such variation may not have a material adverse effect, to obtain consent from the holders of such Participating Shares. To any such meeting all the provisions of these Articles as to general meetings shall *mutatis mutandis* apply, but so that any holder of a Participating Share present in person or by proxy may demand a poll, and the quorum for any such meeting shall be Members holding not less than twenty per cent. by Net Asset Value of the issued Participating Shares of the relevant Class or Series. At any Class meeting, the voting rights attributable to each Participating Share shall be calculated by reference to the Net Asset Value per Participating Share (calculated as at the most recent Valuation Date) and not on the basis of one Participating Share, one vote. Where a variation of Share Rights



applicable to any Class or Series of Participating Shares has been consented to or approved (in writing or at a separate meeting, as applicable) in accordance with the foregoing provisions of this Article 18.1, any Member holding Participating Shares of the Class or Series in respect of which the Share Rights were so varied, and which did not consent to or vote to approve (as the case may be) such variation, shall, following such variation, be entitled to redeem all (but not a portion) of such Member's Participating Shares of such Class or Series (as applicable) as at the next Redemption Date upon 30 days' prior written notice to the Administrator without being subject to any applicable Early Redemption Fee or Special Redemption Fee (as each such term is defined in the Prospectus), provided that such Participating Shares shall remain subject to any Suspension.

- 18.2 For the purposes of a Class consent, the Directors may treat two or more or all the Classes or Series of Participating Shares as forming one Class or Series if the Directors consider that such Classes or Series would be affected in the same way by the proposals under consideration, but in any other case shall treat them as separate Classes or Series.
- 18.3 Where the Shares of any Class or Series (the "**First Class**") rank, or will on issue rank, *pari passu* with the Shares of another Class or Series (the "**Second Class**") with respect to participation in the same pool of profits or assets of the Company on a winding up, the rights of the First Class shall be deemed to be varied by any variation of or creation of rights in the Second Class (including on initial issue) which gives the Second Class priority over the First Class on a winding up of the Company.
- 18.4 Subject to the foregoing Articles, the Share Rights applicable to any Class or Series of Shares in issue shall (unless otherwise expressly provided by the conditions of issue of such Shares) be deemed not to be varied by:
- (a) the creation, allotment or issue of further Shares ranking *pari passu* therewith and which may be issued with the benefit of the terms referred to below;
  - (b) the purchase or redemption of any Shares;
  - (c) the exercise of the powers to allocate assets and charge liabilities to the various Separate Accounts or any of them and to transfer the same to and from the various Separate Accounts or any of them, as provided for in these Articles;
  - (d) any reduction or waiver of any fees (including early redemption, management or performance fees) or incentive allocation chargeable or allocable to any Class or Series of Shares;
  - (e) any reduction or waiver of any redemption notice, gate or lock-up period applicable to any Class or Series of Shares; or
  - (f) subject to Article 18.5, any variation or waiver contemplated by or provided for in the Prospectus applicable to the relevant Class and/or Series; or



(g) a restructuring of the Company carried out to comply with applicable laws, rules and regulations including the Volcker Rule and its implementing regulations.

18.5 Notwithstanding the foregoing provisions of this Article 18, if the Directors determine that any variation to the Company's investment programme (including any investment strategy or investment policy) might reasonably, in the aggregate, be considered material, such variation shall not be implemented either (i) without the approval of Unaffiliated Investors holding at least two-thirds of the aggregate sum of the net asset value of all capital account balances, issued shares, units or other interests, as applicable, held by all Unaffiliated Investors in all of the Voting Funds at such time (adjusted so that the net asset values attributable to the shares or other interests held by Unaffiliated Investors in any Voting Fund are not counted more than once across the aggregated net asset value of all the Voting Funds taken as a whole), or (ii) in the alternative, until after the expiry of not less than 120 days' notice of such variation to all Unaffiliated Investors.

## 19 Variation of Terms

Subject to the provisions of these Articles, including without limitation the preceding Article, the Directors, in consultation with the AIFM, shall have the absolute discretion to permit any Member to be granted preferential treatment in relation to the terms of its investment in the Company by waiver or modification of the terms (including those relating to management and incentive fees, redemption terms, transfer rights and the provision of additional or different information) otherwise applicable to such Member's investment in the Company without obtaining the consent of any other Member.

## 20 Certificates for Shares

20.1 A Member shall only be entitled to a share certificate if the Directors resolve that share certificates shall be issued. Share certificates representing Shares, if any, shall be in such form as the Directors may determine. Share certificates shall be signed by one or more Directors or another person authorised by the Directors. The Directors may authorise certificates to be issued with the authorised signature(s) affixed by mechanical process. All certificates for Shares shall be consecutively numbered or otherwise identified and shall specify the Shares to which they relate. All certificates surrendered to the Company for transfer shall be cancelled and, subject to these Articles, no new certificate shall be issued until the former certificate representing a like number of relevant Shares shall have been surrendered and cancelled.

20.2 The Company shall not be bound to issue more than one certificate for Shares held jointly by more than one person and delivery of a certificate to one joint holder shall be a sufficient delivery to all of them.

20.3 If a share certificate is defaced, worn out, lost or destroyed, it may be renewed on such terms (if any) as to evidence and indemnity and on the payment of such expenses reasonably incurred by the Company in investigating evidence, as the Directors may prescribe, and (in the case of defacement or wearing out) on delivery up of the old certificate.



## **21 Register of Members**

- 21.1 The Company shall maintain or cause to be maintained the Register of Members.
- 21.2 The Directors may determine that the Company shall maintain one or more branch registers of Members in accordance with the Statute. The Directors may also determine which register of Members shall constitute the principal register and which shall constitute the branch register or registers, and to vary such determination from time to time.

## **22 Closing Register of Members and Fixing Record Date**

- 22.1 For the purpose of determining Members entitled to notice of, or to vote at any meeting of Members or any adjournment thereof, or Members entitled to receive payment of any dividend, or in order to make a determination of Members for any other proper purpose, the Directors may provide that the Register of Members shall be closed for transfers for a stated period which shall not in any case exceed thirty days.
- 22.2 In lieu of, or apart from, closing the Register of Members, the Directors may fix in advance or arrears a date as the record date for any such determination of Members entitled to notice of, or to vote at any meeting of the Members or any adjournment thereof, or for the purpose of determining the Members entitled to receive payment of any dividend or in order to make a determination of Members for any other proper purpose.
- 22.3 If the Register of Members is not so closed and no record date is fixed for the determination of Members entitled to notice of, or to vote at, a meeting of Members or Members entitled to receive payment of a dividend, the date on which notice of the meeting is sent or the date on which the resolution of the Directors declaring such dividend is passed, as the case may be, shall be the record date for such determination of Members. When a determination of Members entitled to vote at any meeting of Members has been made as provided in this Article, such determination shall apply to any adjournment thereof.

## **23 Non Recognition of Trusts**

The Company shall not be bound by or compelled to recognise in any way (even when notified) any equitable, contingent, future or partial interest in any Share, or (except only as is otherwise provided by these Articles or the Statute) any other rights in respect of any Share other than an absolute right to the entirety thereof in the registered holder.

## **24 Lien on Shares**

- 24.1 The Company shall have a first and paramount lien on all Shares (whether fully paid-up or not) registered in the name of a Member (whether solely or jointly with others) for all debts, liabilities or engagements to or with the Company (whether presently payable or not) by such Member or such Member's estate, either alone or jointly with any other person, whether a Member or not, but the Directors may at any time declare any Share to be wholly or in part exempt from the provisions of this Article. The registration of a Transfer of any such Share shall operate as a



waiver of the Company's lien thereon. The Company's lien on a Share shall also extend to any amount payable in respect of that Share.

- 24.2 The Company may sell, in such manner as the Directors think fit, any Shares on which the Company has a lien, if a sum in respect of which the lien exists is presently payable, and is not paid within fourteen clear days after notice has been given to the holder of the Shares, or to the person entitled to it in consequence of the death or bankruptcy of the holder, demanding payment and stating that if the notice is not complied with the Shares may be sold.
- 24.3 To give effect to any such sale the Directors may authorise any person to execute an instrument of Transfer of the Shares sold to, or in accordance with the directions of, the purchaser. The purchaser or such purchaser's nominee shall be registered as the holder of the Shares comprised in any such Transfer, and the purchaser shall not be bound to see to the application of the purchase money, nor shall the purchaser's title to the Shares be affected by any irregularity or invalidity in the sale or the exercise of the Company's power of sale under these Articles.
- 24.4 The net proceeds of such sale after payment of costs, shall be applied in payment of such part of the amount in respect of which the lien exists as is presently payable and any balance shall (subject to a like lien for sums not presently payable as existed upon the Shares before the sale) be paid to the person entitled to the Shares at the date of the sale.

## **25 Amendments of Memorandum and Articles and Alteration of Capital**

- 25.1 The Company may, by Ordinary Resolution:
- (a) increase its share capital by such sum and with such rights, priorities and privileges annexed thereto, as the resolution shall prescribe;
  - (b) consolidate and divide all or any of its share capital into Shares of larger amount than its existing Shares;
  - (c) by subdivision of its existing Shares or any of them divide the whole or any part of its share capital into Shares of smaller amount than is fixed by the Memorandum; and
  - (d) cancel any Shares that at the date of the passing of the resolution have not been taken or agreed to be taken by any person.
- 25.2 All new Shares created in accordance with the provisions of the preceding Article shall be subject to the same provisions of these Articles with reference to liens, Transfer, transmission and otherwise as the Shares in the original share capital.
- 25.3 Subject to the provisions of the Statute and the provisions of these Articles as regards the matters to be dealt with by Ordinary Resolution the Company may, by Special Resolution:
- (a) change its name;



- (b) alter or add to these Articles;
- (c) alter or add to the Memorandum with respect to any objects, powers or other matters specified therein; and
- (d) reduce its share capital or any capital redemption reserve fund.

## **26 Registered Office**

Subject to the provisions of the Statute, the Company may by resolution of the Directors change the location of its Registered Office. The Company may, in addition to its Registered Office, maintain such other offices or places of business as the Directors determine.

## **27 General Meetings**

- 27.1 All general meetings other than annual general meetings shall be called extraordinary general meetings. The Directors may call general meetings.
- 27.2 The Company may but shall not be obliged to hold a general meeting in each year as its annual general meeting, and shall specify the meeting as such in the notice calling it. Any annual general meeting shall be held at such time and place as the Directors shall determine.

## **28 Notice of General Meetings**

- 28.1 At least five Business Days' notice shall be given of any general meeting. Every notice shall be exclusive of the day on which it is given or deemed to be given and of the day on which the meeting is to be held and shall specify the place, the day and the hour of the meeting and the general nature of the business and shall be given in the manner hereinafter mentioned or in such other manner if any as may be prescribed by the Company, provided that a general meeting of the Company shall, whether or not the notice specified in this Article has been given and whether or not the provisions of these Articles regarding general meetings have been complied with, be deemed to have been duly convened if it is so agreed:
  - (a) in the case of an annual general meeting, by all the Members entitled to attend and vote thereat; and
  - (b) in the case of an extraordinary general meeting, by a majority in number of the Members having the right to attend and vote at the meeting, being a majority together holding not less than ninety five per cent. in par value of the Shares giving that right.
- 28.2 The accidental omission to give notice of a general meeting to, or the non receipt of notice of a meeting by, any person entitled to receive notice thereof shall not invalidate the proceedings of that meeting.



## 29 Proceedings at General Meetings

- 29.1 No business shall be transacted at any general meeting unless a quorum is present. A quorum shall be one or more Members (present in person, by proxy or authorised corporate representative, as the case may be) entitled to attend and vote and representing not less than twenty per cent. in par value of all of the Shares in issue and carrying the right to vote at the meeting.
- 29.2 A person may, with the consent of the Directors, participate at a general meeting by conference telephone or other communications equipment by means of which all the persons participating in the meeting can communicate with each other. Participation by a person in a general meeting in this manner is treated as presence in person at that meeting.
- 29.3 A resolution (including a Special Resolution) in writing (in one or more counterparts) signed by all Members for the time being entitled to receive notice of and to attend and vote at general meetings (or, being corporations or other non-natural persons, signed by their duly authorised representatives) shall be as valid and effective as if the resolution had been passed at a general meeting of the Company duly convened and held.
- 29.4 If a quorum is not present within half an hour from the time appointed for the meeting or if during such a meeting a quorum ceases to be present, the meeting, if convened upon the requisition of Members, shall be dissolved and in any other case it shall stand adjourned to the same day in the next week at the same time and place or to such other day, time or such other place as the Directors may determine, and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting the Members present shall be a quorum.
- 29.5 The chairman, if any, of the board of Directors shall preside as chairman at every general meeting of the Company, or if there is no such chairman, or if the chairman shall not be present within fifteen minutes after the time appointed for the holding of the meeting, or is unwilling to act, the Directors present shall elect one of their number to be chairman of the meeting.
- 29.6 If no Director is willing to act as chairman, or if no Director is present within fifteen minutes after the time appointed for holding the meeting, the Members present shall choose one of their number to be chairman of the meeting.
- 29.7 The chairman may, with the consent of a meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a general meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Otherwise it shall not be necessary to give any such notice.
- 29.8 A resolution put to the vote of a meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands, the chairman or any Member present in person or by proxy (or in the case of a non-natural person, by its duly authorised representative or by proxy) demands a poll.



- 29.9 Unless a poll is duly demanded a declaration by the chairman that a resolution has been carried or carried unanimously, or by a particular majority, or lost or not carried by a particular majority, an entry to that effect in the minutes of the proceedings of the meeting shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.
- 29.10 The demand for a poll may be withdrawn.
- 29.11 Except on a poll demanded on the election of a chairman or on a question of adjournment, a poll shall be taken as the chairman directs, and the result of the poll shall be deemed to be the resolution of the general meeting at which the poll was demanded.
- 29.12 A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time as the chairman of the general meeting directs, and any business other than that upon which a poll has been demanded or is contingent thereon may proceed pending the taking of the poll.
- 29.13 In the case of an equality of votes, whether on a show of hands or on a poll, the chairman shall not be entitled to a second or casting vote.

### **30 Votes of Members**

- 30.1 Subject to any rights or restrictions attached to any Shares, on a show of hands every Member holding Shares carrying the right to vote on the matter in question who (being an individual) is present in person or by proxy or (if a corporation or other non-natural person) is present by its duly authorised representative or by proxy, shall have one vote and on a poll the voting rights attributable to each Share carrying the right to vote on the matter in question shall be calculated by reference to the Net Asset Value per Share (calculated as at the most recent Valuation Date) and not on the basis of one Share, one vote.
- 30.2 In respect of a class meeting in which there is more than one Class or Series of Shares entitled to vote and the Net Asset Value per Share of such Shares is expressed in different currencies, in determining the voting rights attributable to each relevant Share in accordance with these Articles the Directors may apply such exchange rates as they may determine to the Net Asset Value per Share of each such Class or Series of Shares in order to determine their respective voting rights by reference to a Net Asset Value per Share expressed in a common currency.
- 30.3 In the case of joint holders of record, the vote of the senior holder who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. Seniority among joint holders shall be determined by the order in which the names of the holders stand in the Register of Members.
- 30.4 A Member of unsound mind, or in respect of whom an order has been made by any court or authority having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by the Member's committee, receiver, curator bonis, or other similar person appointed on such



Member's behalf by that court or authority and any such committee, receiver, curator bonis or other similar person may vote by proxy.

- 30.5 No person shall be entitled to vote at any general meeting unless such person is registered as a Member on the record date for such meeting, nor unless all calls or other monies then payable by such person in respect of such Shares have been paid.
- 30.6 No objection shall be raised to the qualification of any voter except at the general meeting or adjourned general meeting at which the vote objected to is purported to be given or tendered and every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the chairman whose decision shall be final and conclusive.
- 30.7 On a poll or on a show of hands votes may be cast either personally or by proxy. A Member may appoint more than one proxy or the same proxy under one or more instruments to attend and vote at a meeting. Where a Member appoints more than one proxy the instrument of proxy shall state which proxy is entitled to vote on a show of hands.
- 30.8 A Member holding more than one Share need not cast the votes in respect of its Shares in the same way on any resolution and therefore may vote a Share or some or all such Shares either for or against a resolution and/or abstain (any such abstentions to count neither for nor against the resolution) from voting a Share or some or all of the Shares and, subject to the terms of the instrument appointing it, a proxy appointed under one or more instruments may vote a Share or some or all of the Shares in respect of which such proxy is appointed either for or against a resolution and/or abstain from voting.

## **31 Proxies**

- 31.1 The instrument appointing a proxy shall be in writing, be executed under the hand of the appointor or of such appointor's attorney duly authorised in writing or, if the appointor is a corporation or other non-natural person, under the hand of an officer or other person duly authorised for that purpose. A proxy need not be a Member of the Company.
- 31.2 The Directors may, in the notice convening any meeting or adjourned meeting, or in an instrument of proxy sent out by the Company, specify the place and the time (being not later than the time for holding the meeting or adjourned meeting to which the proxy relates) at which the instrument appointing a proxy shall be deposited. In the absence of any such direction from the Directors in the notice convening any meeting or adjourned meeting, the instrument appointing a proxy shall be deposited at the Registered Office not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote.
- 31.3 The chairman may in any event, at the chairman's discretion, declare that an instrument of proxy shall be deemed to have been duly deposited. An instrument of proxy that is not deposited in the manner permitted and which has not been declared to have been duly deposited by the chairman, shall be invalid.



- 31.4 The instrument appointing a proxy may be in any usual or common form and may be incorporated within any subscription agreement or other document signed by or on behalf of the Member. An instrument appointing a proxy may be expressed to be for a particular meeting or any adjournment thereof or generally until revoked. An instrument appointing a proxy shall be deemed to include the power to demand or join or concur in demanding a poll.
- 31.5 Votes given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or of the authority under which the proxy was executed, or the Transfer of the Share in respect of which the proxy is given unless notice in writing of such death, insanity, revocation or Transfer was received by the Company at the Registered Office before the commencement of the general meeting, or adjourned meeting at which it is sought to use the proxy.

### **32 Corporate Members**

Any corporation or other non-natural person which is a Member of the Company may in accordance with its constitutional documents, or in the absence of such provision by resolution of its directors or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any Class of Members, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which such person represents as the corporation could exercise if it were an individual Member.

### **33 Shares Beneficially Owned by the Company**

Shares of the Company that are beneficially owned by the Company shall not be voted, directly or indirectly, at any meeting and shall not be counted in determining the total number of outstanding Shares at any given time.

### **34 Directors**

There shall be a board of Directors consisting of not less than three persons (exclusive of alternate Directors) at least two of whom (including any alternate directors they may appoint from time to time) are not Affiliated with the Investment Manager or either of its principals or Affiliates. The Company may from time to time by Ordinary Resolution increase or reduce the limits in the number of Directors. The first Directors of the Company shall be determined in writing by, or appointed by a resolution of, the Subscriber.

### **35 Powers of Directors**

- 35.1 Subject to the provisions of the Statute, the Memorandum and the Articles and to any directions given by Special Resolution, the business of the Company shall be managed by the Directors who may exercise all the powers of the Company. No alteration of the Memorandum or these Articles and no such direction shall invalidate any prior act of the Directors which would have been valid if that alteration had not been made or that direction had not been given. A duly convened meeting of Directors at which a quorum is present may exercise all powers exercisable by the Directors.



- 35.2 All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments and all receipts for monies paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed as the case may be in such manner as the Directors shall determine by resolution.
- 35.3 The Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital or any part thereof and to issue debentures, debenture stock, mortgages, bonds and other such securities whether outright or as security for any debt, liability or obligation of the Company or of any third party. Notwithstanding the foregoing, the Directors shall not exercise the powers specified in this Article in breach of any limits or restrictions specified in the Prospectus.
- 35.4 The Directors may, upon at least five days' notice to the Members, present a winding up petition on behalf of the Company without the prior sanction of a resolution of the Members passed at general meeting.

## **36 Appointment and Removal of Directors**

- 36.1 Subject to Article 4.4, the Company may, by Ordinary Resolution, appoint any person to be a Director and may, by Ordinary Resolution, remove any Director.
- 36.2 The Directors may subject to Article 36.4 appoint any person to be a Director, either to fill a vacancy or as an additional Director provided that the appointment does not cause the number of Directors to exceed any number fixed by or in accordance with these Articles as the maximum number of Directors.
- 36.3 The Directors shall, promptly upon receiving a request in accordance with this Article from no fewer than two Unaffiliated Investors (at least two of which are not Affiliates of each other) in any Voting Fund over any three-month period representing in the aggregate greater than or equal to 15% of the sum of the Net Asset Value of all issued Participating Shares and the net asset value of all shares or other interests of the other Voting Funds, as applicable, held by Unaffiliated Investors (adjusted so that the net asset values attributable to the shares or other interests held by Unaffiliated Investors in any Voting Fund are not counted more than once across the aggregated net asset value of all the Voting Funds taken as a whole) (an "**Eligible Request**"), arrange, together with the other Voting Funds Management, for voting forms to be sent to all Unaffiliated Investors for completion and return for the purposes of their voting on whether to remove all Voting Funds Management and to appoint replacements. The Directors and other Voting Funds Management will not be obligated to send voting forms to (or otherwise call a vote of) the Unaffiliated Investors more than once in any 12 month period. In the event that more than one Eligible Request is received in any 12 month period, the Directors and other Voting Funds Management shall act upon the first received Eligible Request and shall disregard any other Eligible Request received during such 12 month period. Following the expiry of such 12 month period, the first Eligible Request received after the expiry of such period shall be acted upon.
- 36.4 Members which are Unaffiliated Investors wishing to vote in respect of an Eligible Request shall be required to return completed voting forms to the Directors no later than the 60th day after the



date on which the forms were sent to the Unaffiliated Investors (or if such day is not a Business Day, the first Business Day following such day). If Unaffiliated Investors representing in excess of 50% of the aggregate sum of the net asset value of all capital account balances, issued shares, units or other interests, as applicable, held by all Unaffiliated Investors in all of the Voting Funds at such time (adjusted so that the net asset values attributable to the shares or other interests held by Unaffiliated Investors in any Voting Fund are not counted more than once across the aggregated net asset value of all the Voting Funds taken as a whole) (collectively, a "**Majority in Interest of Unaffiliated Investors**") vote in favour of removing the Directors and other Voting Funds Management and appointing replacements (a "**Removal Action**") then the Directors shall be removed as Directors of the Company (and it is intended that the Voting Funds Management of each other Voting Fund shall be removed from its position as such in accordance with the constitutional documents of such other Voting Fund) effective on the date (the "**Removal Date**") that is the later of (a) three months after notice of the affirmative vote of the Majority in Interest of Unaffiliated Investors is received by the Directors and other Voting Funds Management, and (b) the effective appointment of successor Voting Funds Management, including a successor board of directors of the Company (the "**Successor Board**"), agreed upon by a Majority in Interest of Unaffiliated Investors, provided that Unaffiliated Investors will not be permitted to conduct or vote in respect of a Removal Action unless and until legal counsel to the Company (and to each other relevant Voting Fund) provides a written opinion in a form reasonably satisfactory to the prospective members of the Successor Board (and the successor Voting Funds Management of each such other Voting Fund) that such Removal Action will not adversely affect either the limited liability status of any Shareholder (or investor in such other Voting Fund) under applicable law or the classification of a Voting Fund that is treated as a corporation for U.S. federal income tax purposes. No person may be appointed as a replacement Director of the Company unless such replacement has been in the financial services industry for at least five years.

- 36.5 For the avoidance of doubt, if a Majority in Interest of Unaffiliated Investors agrees upon successor Voting Funds Management for all the Voting Funds pursuant to the foregoing provisions, the Directors shall appoint the Successor Board as Directors of the Company prior to their removal and such appointment shall take effect on the Removal Date in accordance with Article 36.4. If the Directors do not appoint such Successor Board prior to their removal, such Successor Board shall be automatically appointed upon the Removal Date.
- 36.6 Notwithstanding the foregoing, a Member that has submitted and has pending a valid request for a complete redemption of its Participating Shares shall not be permitted to vote in respect of a Removal Action pursuant to these Articles (and shall not be an Unaffiliated Investor) unless otherwise provided in the relevant Prospectus. Participating Shares the subject of a valid redemption request shall not be included or taken into account when determining the Net Asset Value of all issued Participating Shares held by Unaffiliated Investors for the purposes of Articles 36.3 and 36.4 and the vote power attributable to an Unaffiliated Investor, in each case except to the extent and in the circumstances otherwise provided in the relevant Prospectus.
- 36.7 Following the removal of the Directors pursuant to the foregoing provisions, Shareholders that are not Unaffiliated Investors shall be permitted to (i) sell their Participating Shares to the successor Investment Manager and its Affiliates or to any other purchaser pursuant to terms mutually agreed upon among such parties (provided such purchaser fulfils the Company's eligibility



criteria) or (ii) redeem any or all of their remaining Participating Shares pursuant to the terms of the Prospectus and these Articles.

- 36.8 Each removed Director (collectively, the "**Representatives**") and their Affiliates will continue to be indemnified pursuant to these Articles. Except as otherwise required by applicable law, on or after the removal of any Representative, any amendment to these Articles that adversely affects the rights of a removed Representative or its Affiliates will require the written consent of such removed Representative and its affected Affiliates.
- 36.9 The occurrence of a Removal Action will trigger the automatic termination of the Investment Management Agreement as of the effective date of the removal of the Directors pursuant to the terms set forth above.
- 36.10 For the avoidance of doubt, and notwithstanding the foregoing provisions of this Article 36, the Directors may determine from time to time, in their absolute discretion, to allot and issue one or more Classes and/or Series of Participating Shares that have no right to conduct or vote in respect of a Removal Action pursuant to these Articles. Any such Participating Shares shall not be included or taken into account when determining the Net Asset Value of all issued Participating Shares held by Unaffiliated Investors for the purposes of Articles 36.3 and 36.4 and the voting power attributable to an Unaffiliated Investors, in each case except to the extent and in the circumstances otherwise provided in the relevant Prospectus.

### **37 Vacation of Office of Director**

The office of a Director shall be vacated if:

- (a) the Director gives notice in writing to the Company that such Director resigns the office of Director;
- (b) the Director is absent (without being represented by proxy or an alternate Director appointed by such Director) from three consecutive meetings of the board of Directors without special leave of absence from the Directors, and they pass a resolution that such Director has by reason of such absence vacated office;
- (c) the Director dies, becomes bankrupt or makes any arrangement or composition with such Director's creditors generally;
- (d) the Director is or becomes of unsound mind;
- (e) the Director ceases to be a Director by virtue of, or is prohibited from being a Director by, an order made pursuant to any law or regulation binding on the Company;
- (f) all the other Directors of the Company (being not less than two in number) resolve that such Director should be removed as a Director; or



- (g) the Director is required to vacate office in accordance with the provisions of Article 36 (whereupon the Director shall also resign and/or vacate any other office of the Company held by the Director).

### **38 Proceedings of Directors**

- 38.1 Unless the Directors determine otherwise, the Directors shall meet at least once in every calendar quarter. The quorum for the transaction of the business of the Directors shall be two if there are two or more Directors, . A person who holds office as an alternate Director shall, if such person's appointor is not present, be counted in the quorum. A Director who also acts as an alternate Director shall, if such Director's appointor is not present, count twice towards the quorum.
- 38.2 Subject to the provisions of these Articles, the Directors may regulate their proceedings as they think fit. Questions arising at any meeting shall be decided by a majority of votes. In the case of an equality of votes, the chairman shall not have a second or casting vote. A Director who is also an alternate Director shall be entitled in the absence of such Director's appointor to a separate vote on behalf of such Director's appointor in addition to such Director's own vote.
- 38.3 A person may participate in a meeting of the Directors or any committee of Directors by conference telephone or other communications equipment by means of which all the persons participating in the meeting can communicate with each other at the same time. Participation by a person in a meeting in this manner is treated as presence in person at that meeting. Unless otherwise determined by the Directors, the meeting shall be deemed to be held at the place where the chairman is located at the start of the meeting.
- 38.4 A resolution in writing (in one or more counterparts) signed by all the Directors or all the members of a committee of Directors (an alternate Director being entitled to sign such a resolution on behalf of such alternate Director's appointor) shall be as valid and effectual as if it had been passed at a meeting of the Directors, or committee of Directors as the case may be, duly convened and held.
- 38.5 A Director or alternate Director may, or other officer of the Company at the direction of a Director or alternate Director may call a meeting of the Directors by at least two days' notice in writing to every Director and alternate Director which notice shall set forth the general nature of the business to be considered unless notice is waived by all the Directors (or their alternates) either at, before or after the meeting is held.
- 38.6 The continuing Directors may act notwithstanding any vacancy in their body, but if and so long as their number is reduced below the number fixed by or pursuant to these Articles as the necessary quorum of Directors the continuing Directors or Director may act for the purpose of increasing the number of Directors to that number, or of summoning a general meeting of the Company, but for no other purpose.
- 38.7 The Directors may elect a chairman of their board and determine the period for which the chairman is to hold office; but if no such chairman is elected, or if at any meeting the chairman is



not present within five minutes after the time appointed for holding the same, the Directors present may choose one of their number to be chairman of the meeting.

- 38.8 All acts done by any meeting of the Directors or of a committee of Directors (including any person acting as an alternate Director) shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any Director or alternate Director, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and qualified to be a Director or alternate Director as the case may be.
- 38.9 A Director but not an alternate Director may be represented at any meetings of the board of Directors by a proxy appointed in writing by such Director. The proxy shall count towards the quorum and the vote of the proxy shall for all purposes be deemed to be that of the appointing Director.

### **39 Presumption of Assent**

A Director who is present at a meeting of the board of Directors at which action on any Company matter is taken shall be presumed to have assented to the action taken unless the Director's dissent shall be entered in the minutes of the meeting or unless the Director shall file such Director's written dissent from such action with the person acting as the chairman or secretary of the meeting before the close or adjournment thereof or shall forward such dissent by personal delivery, courier or registered post to such person immediately after the close or adjournment of the meeting. Such right to dissent shall not apply to a Director who voted in favour of such action.

### **40 Directors' Interests**

- 40.1 A Director may hold any other office or place of profit under the Company (other than the office of Auditor) in conjunction with such Director's office of Director for such period and on such terms as to remuneration and otherwise as the Directors may determine.
- 40.2 A Director may act alone or by such Director's firm in a professional capacity for the Company and the Director or such Director's firm shall be entitled to remuneration for professional services as if such Director were not a Director or alternate Director.
- 40.3 A Director or alternate Director of the Company may be or become a director or other officer of or otherwise interested in any company promoted by the Company or in which the Company may be interested as shareholder or otherwise, and no such Director or alternate Director shall be accountable to the Company for any remuneration or other benefits received by such Director or alternate Director as a director or officer of, or from such Director or alternate Director's interest in, such other company.
- 40.4 No person shall be disqualified from the office of Director or alternate Director or prevented by such office from contracting with the Company, either as vendor, purchaser or otherwise, nor shall any such contract or any contract or transaction entered into by or on behalf of the Company in which any Director or alternate Director shall be in any way interested be or be liable to be avoided, nor shall any Director or alternate Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or transaction by



reason of such Director holding office or of the fiduciary relationship thereby established. A Director (or such Director's alternate Director in such Director's absence) shall be at liberty to vote in respect of any contract or transaction in which such Director is interested provided that the nature of the interest of any Director or alternate Director in any such contract or transaction shall be disclosed by such Director at or prior to such Director's consideration and any vote thereon.

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

#### **41 Minutes**

The Directors shall cause minutes to be made in books kept for the purpose of recording all appointments of officers made by the Directors, all proceedings at meetings of the Company or the holders of any Class of Shares and of the Directors, and of committees of Directors including the names of the Directors or alternate Directors present at each meeting.

#### **42 Delegation of Directors' Powers**

- 42.1 The Directors may delegate any of their powers to any committee consisting of one or more Directors or such other persons as the Directors may designate. They may also delegate to any managing director or any Director holding any other executive office such of their powers as they consider desirable to be exercised by such managing director or any Director provided that an alternate Director may not act as managing director and the appointment of a managing director shall be revoked forthwith if such managing director ceases to be a Director. Any such appointment may be made subject to any conditions the Directors may impose, and either collaterally with or to the exclusion of their own powers, and may be revoked or altered. Subject to any such conditions, the proceedings of a committee of Directors shall be governed by these Articles regulating the proceedings of Directors, so far as they are capable of applying.
- 42.2 The Directors may establish any committees, local boards or agencies or appoint any person to be a manager or agent for managing the affairs of the Company and may appoint any person to be a member of such committees or local boards. Any such appointment may be made either collaterally with or to the exclusion of the Directors' powers, shall be subject to any conditions the Directors may impose, and may be revoked or altered. Subject to any such conditions, the proceedings of any such committee, local board or agency shall be governed by these Articles regulating the proceedings of Directors, so far as they are capable of applying.
- 42.3 The Directors may by power of attorney or otherwise appoint any company, firm, person or body of persons to be the attorney or authorised signatory of the Company for such purpose and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these Articles) and for such period and subject to such conditions as they may think fit, and any such powers of attorney or other appointment may contain such provisions for the protection and convenience of persons dealing with any such attorneys or authorised



signatories as the Directors may think fit and may also authorise any such attorney or authorised person to delegate all or any of the powers, authorities and discretions vested in such attorney or authorised person.

- 42.4 The Directors may appoint such officers as they consider necessary on such terms, at such remuneration (if any) and to perform such duties, and subject to such provisions as to disqualification and removal as the Directors may think fit. Unless otherwise specified in the terms of such officer's appointment an officer may be removed by resolution of the Directors or Members.

### **43 Alternate Directors**

- 43.1 Subject to Article 34, any Director (other than an alternate Director) may by written notice to the Company appoint any other Director, or any other person willing to act, to be an alternate Director and by written notice to the Company may remove from office an alternate Director so appointed by the Director.
- 43.2 An alternate Director shall be entitled to receive notice of all meetings of Directors and of meetings of committees of Directors of which such alternate Director's appointor is a member, to attend and vote at every such meeting at which the Director appointing such alternate Director is not personally present, and generally to perform all the functions of such alternate Director's appointor as a Director in such Director's absence.
- 43.3 An alternate Director shall cease to be an alternate Director if such alternate Director's appointor ceases to be a Director.
- 43.4 Any appointment or removal of an alternate Director shall be by notice to the Company signed by the Director making or revoking the appointment or in any other manner approved by the Directors.
- 43.5 Subject to the provisions of the Articles, an alternate Director shall be deemed for all purposes to be a Director and shall alone be responsible for such alternate Director's own acts and defaults and shall not be deemed to be the agent of the Director appointing such alternate Director.

### **44 No Minimum Shareholding for Directors**

The Company in general meeting may fix a minimum shareholding required to be held by a Director, but unless and until such a shareholding qualification is fixed a Director shall not be required to hold Shares.

### **45 Remuneration of Directors**

- 45.1 The remuneration to be paid to the Directors, if any, shall be such remuneration as the Directors shall determine. The Directors shall also be entitled to be paid all travelling, hotel and other expenses properly incurred by them in connection with their attendance at meetings of Directors or committees of Directors, or general meetings of the Company, or separate meetings of the



holders of any Class of Shares or debentures of the Company, or otherwise in connection with the business of the Company, or to receive a fixed allowance in respect thereof as may be determined by the Directors, or a combination partly of one such method and partly the other.

- 45.2 The Directors may by resolution approve additional remuneration to any Director for any services other than such Director's ordinary routine work as a Director. Any fees paid to a Director who is also counsel to the Company, or otherwise serves it in a professional capacity, shall be in addition to such Director's remuneration as a Director.

#### **46 Investment Objectives, Strategies and Restrictions**

Subject to the terms of the Prospectus, the investment objectives, strategies, risk profile and restrictions of the Company shall be as determined by the Directors from time to time, and the assets of the Company shall be invested in compliance with the provisions of these Articles and applicable laws, rules and/or regulations.

#### **47 Seal**

The Company may, if the Directors so determine, have a Seal, which shall only be used by the authority of the Directors or of a committee of the Directors authorised by the Directors. Every instrument to which the Seal has been affixed shall be signed by at least one person who shall be either a Director or some officer or other person authorised by the Directors for the purpose.

#### **48 Dividends, Distributions and Reserves**

- 48.1 Subject to the Statute, these Articles, and the special rights attaching to Participating Shares of any Class and/or Series, the Directors may, in their absolute discretion, declare dividends and distributions on Participating Shares of any Class and/or Series in issue and authorise payment of the dividends or distributions out of the relevant Separate Account in respect of such Participating Shares. No dividend or distribution shall be paid except out of the realised or unrealised profits of the Company, or out of the share premium account attributable to Participating Shares of the Class and/or Series in respect of which the dividend or distribution is proposed to be paid, or as otherwise permitted by law.
- 48.2 Except as otherwise provided by the rights attached to Participating Shares, or as otherwise determined by the Directors, all dividends and distributions in respect of Participating Shares of a particular Class and/or Series shall be declared and paid according to the Net Asset Value of the Participating Shares of the Class and/or Series that a Member holds. If any Participating Share is issued on terms providing that it shall rank for dividend or distribution as from a particular date, that Participating Share shall rank for dividend or distribution accordingly.
- 48.3 The Directors may deduct and withhold from any dividend or distribution otherwise payable to any Member all sums of money (if any) then payable by it to the Company on account of calls or otherwise or any monies which the Company is obliged by law to pay to any taxing or other authority.



- 48.4 Under no circumstances may the assets (or the income derived from such assets) attributed to a Separate Account in respect of any Class and/or Series be used to pay a dividend in respect of a Separate Account that is attributed to any other Class and/or Series.
- 48.5 The Directors may declare that any dividend or distribution be paid wholly or partly by the distribution of specific assets and in particular of shares, debentures or securities of any other company or in any one or more of such ways and, where any difficulty arises in regard to such distribution, the Directors may settle the same as they think expedient and in particular may issue fractional Shares and fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any Members upon the basis of the value so fixed in order to adjust the rights of all Members and may vest any such specific assets in trustees as may seem expedient to the Directors.
- 48.6 Any dividend, distribution, interest or other monies payable in cash in respect of Participating Shares may be paid by wire transfer to the holder or by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of the holder who is first named on the Register of Members or to such person and to such address as such holder or joint holders may in writing direct. Every such cheque or warrant shall (unless the Directors in their sole discretion otherwise determine) be made payable to the order of the person to whom it is sent. Any one of two or more joint holders may give effectual receipts for any dividends, bonuses, or other monies payable in respect of the Participating Share held by them as joint holders.
- 48.7 Any dividend or distribution which cannot be paid to a Member and/or which remains unclaimed after six months from the date of declaration of such dividend or distribution may, in the discretion of the Directors, be paid into a separate account in the Company's name, provided that the Company shall not be constituted as a trustee in respect of that account and the dividend or distribution shall remain as a debt due to the Member. Any dividend or distribution which remains unclaimed after a period of six years from the date of declaration of such dividend or distribution shall be forfeited and shall revert to the Company.
- 48.8 No dividend or distribution shall bear interest against the Company.

#### **49 Capitalisation**

The Directors may capitalise any sum standing to the credit of any of the Company's reserve accounts (including share premium account and capital redemption reserve) or any sum standing to the credit of profit and loss account or otherwise available for distribution and to appropriate such sum to Members of any Class and/or Series in the proportions in which such sum would have been divisible amongst them had the same been a distribution of profits by way of dividend and to apply such sum on their behalf in paying up in full unissued Participating Shares for allotment and distribution credited as fully paid-up to and amongst them in the proportion aforesaid. In such event the Directors shall do all acts and things required to give effect to such capitalisation, with full power to the Directors to make such provisions as they think fit for the case of Participating Shares becoming distributable in fractions (including provisions whereby the benefit of fractional entitlements accrue to the Company rather than to the Members concerned). The Directors may authorise any person to enter into an agreement with the Company, on behalf



of all of the Members interested, providing for such capitalisation and matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned.

## **50 Books of Account**

- 50.1 The accounting information of the Company shall be prepared in accordance with the accounting standards (if any) prescribed in the Statute and Cayman Islands law generally and with such accounting rules as the Directors may from time to time determine as may be disclosed in the Prospectus from time to time. Without limitation to the foregoing, the Directors shall cause proper books of account (including, where applicable, material underlying documentation including contracts and invoices) to be kept with respect to all sums of money received and expended by the Company and the matters in respect of which the receipt or expenditure takes place, all sales and purchases of goods by the Company and the assets and liabilities of the Company. Such books of account must be retained for a minimum period of five years from the date on which they are prepared. Proper books shall not be deemed to be kept if there are not kept such books of account as are necessary to give a true and fair view of the state of the Company's affairs and to explain its transactions.
- 50.2 The Directors shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of Members not being Directors and no Member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by Statute, or authorised by the Directors or by the Company in general meeting.
- 50.3 The Directors may from time to time cause to be prepared and to be laid before the Company in general meeting or at such other time as the Directors may determine profit and loss accounts, balance sheets, group accounts (if any) and such other reports and accounts or information as the Directors may from time to time determine or as may be required by law.

## **51 Audit**

- 51.1 The Directors may appoint an Auditor of the Company who shall hold office on such terms as the Directors determine.
- 51.2 Every Auditor of the Company shall have a right of access at all times to the books and accounts and vouchers of the Company and shall be entitled to require from the Directors and officers of the Company such information and explanation as may be necessary for the performance of the duties of the Auditor.
- 51.3 Any Auditors of the Company shall, if so required by the Directors, make a report on the accounts of the Company during their tenure of office at the next annual general meeting following their appointment in the case of a company which is registered with the Registrar of Companies as an ordinary company, and at the next extraordinary general meeting following their appointment in the case of a company which is registered with the Registrar of Companies as an exempted



company, and at any other time during their term of office, upon request of the Directors or any general meeting of the Members.

## **52 Notices**

- 52.1 Notices shall be in writing and may be given by the Company to any Member either personally or by sending it by courier, post, cable, telex, fax or e-mail to the Member or to the address as shown in the Register of Members (or where the notice is given by e-mail by sending it to the e-mail address provided by such Member). Any notice, if posted from one country to another, is to be sent airmail.
- 52.2 Where a notice is sent by courier, service of the notice shall be deemed to be effected by delivery of the notice to a courier company, and shall be deemed to have been received on the third day (not including Saturdays or Sundays or public holidays) following the day on which the notice was delivered to the courier. Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, pre paying and posting a letter containing the notice, and shall be deemed to have been received on the fifth day (not including Saturdays or Sundays or public holidays in the Cayman Islands) following the day on which the notice was posted. Where a notice is sent by cable, telex or fax, service of the notice shall be deemed to be effected by properly addressing and sending such notice and shall be deemed to have been received on the same day that it was transmitted. Where a notice is given by e-mail service shall be deemed to be effected by transmitting the e-mail to the e-mail address provided by the intended recipient and shall be deemed to have been received on the same day that it was sent, and it shall not be necessary for the receipt of the e-mail to be acknowledged by the recipient.
- 52.3 A notice may be given by the Company to the person or persons which the Company has been advised are entitled to a Share or Shares in consequence of the death or bankruptcy of a Member in the same manner as other notices which are required to be given under these Articles and shall be addressed to them by name, or by the title of representatives of the deceased, or trustee of the bankrupt, or by any like description at the address supplied for that purpose by the persons claiming to be so entitled, or at the option of the Company by giving the notice in any manner in which the same might have been given if the death or bankruptcy had not occurred.
- 52.4 Notice of every general meeting shall be given in the manner authorised by these Articles to every person shown as holding Shares carrying an entitlement to receive such notice in the Register of Members on the record date for such meeting except that in the case of joint holders the notice shall be sufficient if given to the joint holder first named in the Register of Members and every person upon whom the ownership of a Share devolves by reason of such person being a legal personal representative or a trustee in bankruptcy of a Member where the Member but for such Member's death or bankruptcy would be entitled to receive notice of the meeting, and no other person shall be entitled to receive notices of general meetings.

## **53 Winding Up**

- 53.1 If the Company shall be wound up the liquidator shall apply the assets of the Company in satisfaction of creditors' claims in such manner and order as such liquidator thinks fit. The



liquidator shall in relation to the assets available for distribution among the Members make in the books of the Company such transfers thereof to and from Separate Accounts as may be necessary in order that the effective burden of such creditors' claims may be shared among the holders of Participating Shares of different Classes and/or Series in such proportions as the liquidator in such liquidator's absolute discretion may think equitable.

53.2 Subject to the special rights attaching to Participating Shares of any Class or Series, the balance shall then be applied in the following priority:

- (a) first, to the holders of Voting Shares, an amount equal to the par value of such Voting Shares;
- (b) second, to the holders of Participating Shares, an amount equal to the par value of such Participating Shares; and
- (c) third, the balance shall be paid to the holders of Participating Shares in proportion to the Net Asset Value of Participating Shares held, subject to a deduction from those Participating Shares in respect of which there are monies due, of all monies due to the Company for unpaid calls, or otherwise.

53.3 If the Company shall be wound up (whether the liquidation is voluntary or by or under the supervision of the Court) the liquidator may, with the authority of a resolution or resolutions passed by the holders of Participating Shares (whether as a whole or at separate Class meetings), divide among the Members in specie the whole or any part of the assets of the Company, and whether or not the assets shall consist of property of one kind or shall consist of property of different kinds, and may for such purposes set such value as the liquidator deems fair upon any one or more class or classes of property, and may determine how such division shall be carried out as between the Members or different classes of Members. The liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of Members as the liquidator, with the like authority, shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no Member shall be compelled to accept any shares or other property in respect of which there is a liability.

## 54 Indemnity and Insurance

54.1 Every Director and officer of the Company (which for the avoidance of doubt, shall not include auditors of the Company), together with every former Director and former officer of the Company (each an "**Indemnified Person**") shall be indemnified out of the assets of the Company against any liability, action, proceeding, claim, demand, costs, damages or expenses, including legal expenses, whatsoever which they or any of them may incur as a result of any act or failure to act in carrying out their functions other than such liability (if any) that they may incur by reason of their own actual fraud, bad faith, wilful misconduct, or Gross Negligence. No Indemnified Person shall be liable to the Company for any loss or damage incurred by the Company as a result (whether direct or indirect) of the carrying out of their functions unless that liability arises through the actual fraud, bad faith, wilful misconduct, or Gross Negligence of such Indemnified Person. No person shall be found to have committed actual fraud, bad faith, wilful misconduct, or Gross



Negligence under this Article unless or until a court of competent jurisdiction shall have made a finding to that effect.

- 54.2 The Company shall advance to each Indemnified Person reasonable attorneys' fees and other costs and expenses incurred in connection with the defence of any action, suit, proceeding or investigation involving such Indemnified Person for which indemnity will or could be sought. In connection with any advance of any expenses hereunder, the Indemnified Person shall execute an undertaking to repay the advanced amount to the Company if it shall be determined by final judgment or other final adjudication that such Indemnified Person was not entitled to indemnification pursuant to this Article. If it shall be determined by a final judgment or other final adjudication that such Indemnified Person was not entitled to indemnification with respect to such judgment, costs or expenses, then such party shall not be indemnified with respect to such judgment, costs or expenses and any advancement shall be returned to the Company (without interest) by the Indemnified Person.
- 54.3 The Directors, on behalf of the Company, may purchase and maintain insurance for the benefit of any Director or other officer of the Company against any liability which, by virtue of any rule of law, would otherwise attach to such person in respect of any negligence, default, breach of duty or breach of trust of which such person may be guilty in relation to the Company.
- 54.4 Pursuant to the foregoing provisions, the Company may enter into a service or other agreement with any Director (or any entity providing one or more persons to the Company to act as Directors) upon such terms and conditions (including as to indemnification and exculpation) as the Directors shall, in their absolute discretion, determine. Any such indemnification and exculpation provisions may be specified to a standard equal to or more favourable (but not less favourable) to the Company than any standard specified in these Articles.

## **55 Disclosure**

- 55.1 If required to do so under the laws of any jurisdiction to which the Company, the Investment Manager, the Administrator or any other service provider is subject, or in compliance with the rules of any stock exchange upon which the Company's Shares are listed, or to ensure the compliance by any person with any anti-money laundering law in any relevant jurisdiction, any Director, Officer, the Investment Manager, the Administrator or Auditor of the Company shall be entitled to release or disclose any information in its possession regarding the affairs of the Company or a Member including, without limitation, any information contained in the Register of Members or subscription documentation of the Company relating to any Member.
- 55.2 Without limitation to the foregoing, the Directors and the AIFM may also release or disclose to Members and prospective investors any information in their possession regarding the Company and its affairs if lawfully required to do so under any applicable laws, rules and/or regulations, in such manner, at such times and on such terms as the Directors or the AIFM may from time to time respectively determine.
- 55.3 The Directors may at their absolute discretion serve notice on any Member requiring that Member to disclose to the Company the identity of any person (other than the Member) who has any



interest in the Shares held by the Member (the “**Disclosure Shares**”) and the nature of such interest. Any such notice shall require any information in response to such notice to be given within such reasonable time as the Directors may determine.

- 55.4 If any such Member is in default (“**Default**”) in supplying to the Company the information required pursuant to Article 55.3, the Directors in their absolute discretion may serve a direction notice (the “**Direction Notice**”) on such terms and prescribing such sanctions as they think fit, which shall take effect 14 days after service thereof (or on such later time or date specified in the Direction Notice), and:
- (a) where the Disclosure Shares represent less than 0.25 per cent of the Shares in issue (excluding any Treasury Shares) at the time of Default, the Direction Notice may provide for the elimination of the Member’s right to attend or vote at any general meeting of the Company; and
  - (b) where the Disclosure Shares represent at least 0.25 per cent of the Shares in issue (excluding any Treasury Shares) at the time of Default, the Default Notice may provide for the elimination of the Member’s right to attend or vote at any general meeting of the Company, receive any dividend and/or place restrictions on the Transfer of the Disclosure Shares (provided that such Transfer restrictions shall not apply to Transfers of the Disclosure Shares to a bona fide unconnected third party).
- 55.5 Unless the Directors in their absolute discretion determine that any sanctions imposed on a Member pursuant to the Direction Notice shall cease earlier, such sanctions shall cease to apply seven days after the earlier of:
- (a) receipt by the Company of notice that the Disclosure Shares have been Transferred in the manner described at Article 55.4; or
  - (b) the date that the Member provides the information sought by the Directors pursuant to Article 55.3.
- 55.6 Provided that the powers shall have been exercised in good faith, the exercise by the Directors of their powers conferred by this Article 55 shall not be questioned or invalidated in any case on the ground that there was insufficient evidence of any matter, including of the ownership of any Share (or any interest therein) by any person or because any matter (including the true ownership of any Share or any interest therein) was otherwise than as appeared to the Company at the relevant date. None of the Company, the Directors or any other person: (a) will be required to give any reason for any decision, determination or declaration taken in accordance with this Article 55; or (b) will be liable to any person in connection with any action taken in good faith in accordance with this Article 55, including in relation to any person having an interest in, or owning or holding, any Share required to be Transferred or otherwise affected by the exercise by the Directors of any of its powers under this Article 55.



55.7 The Directors may upon application for Shares or at any other time and from time to time require such evidence to be furnished to the Company in connection with the matters stated in this Article 55 as they shall in their discretion deem sufficient.

**56 Financial Year**

Unless the Directors otherwise prescribe, the financial year of the Company shall end on 31st December in each year and, following the year of incorporation, shall begin on 1st January in each year.

**57 Transfer by way of Continuation**

The Company shall, subject to the provisions of the Statute and with the approval of a Special Resolution, have the power to register by way of continuation as a body corporate under the laws of any jurisdiction outside the Cayman Islands and to be deregistered in the Cayman Islands.

**58 Mergers and Consolidations**

The Company shall, with the approval of a Special Resolution, have the power to merge or consolidate with one or more constituent companies (as defined in the Statute), upon such terms as the Directors may determine.

