No:

Provided to:

SUPPLEMENT

GREAT Risk-Based Portfolios SP

a segregated portfolio of

GLOBAL RETURNS EQUITY AND TRADING (GREAT) SPC

an exempted company incorporated with limited liability under the laws of the Cayman Islands with registration number 418621

Appreciate Investment Advisory Private Limited
Investment Manager

March 2026

IMPORTANT NOTICES TO POTENTIAL INVESTORS

The Company is an exempted company incorporated with limited liability and registered as a segregated portfolio company under the Companies Act. This Supplement relates to the offering of participating shares attributable to GREAT Risk-Based Portfolios SP, a segregated portfolio of the Company. This Supplement should be read in conjunction with the Memorandum.

Reliance on the Memorandum and this Supplement

Participating Shares are being offered only on the basis of the information contained in the Memorandum and this Supplement. Any further information or representations given or made by any dealer, broker or other person should be disregarded and accordingly, should not be relied upon. No person has been authorised to give any information or to make any representations in connection with the offering of Participating Shares other than those contained in the Memorandum and this Supplement and, if given or made, such information or representations must not be relied on as having been authorised by the Directors.

Certain information contained in this Supplement constitutes "forward-looking statements", which can be identified by the use of forward-looking terminology such as "may", "will", "should", "expect", "anticipate", "project", "estimate", "intend", "believe", the negatives of such words, other variations of such words or comparable terminology. Due to various risks and uncertainties, including those described in the sections in the Memorandum headed "Risk Factors" and "Conflicts of Interest" and the section in this Supplement headed "Risk Factors", actual events or results or the actual performance of the Portfolio may differ materially from that anticipated in such forward-looking statements.

No representations or warranties of any kind are intended or should be inferred with respect to the economic return from, or the tax consequences of, an investment in the Portfolio. Before making an investment in the Portfolio prospective investors should review the Memorandum and this Supplement carefully and in their entirety. Prospective investors should consult with their legal, tax and financial advisers as to any legal, tax, financial or other consequences of subscribing for, purchasing, holding, redeeming or disposing of Participating Shares in their country of citizenship, residence and/or domicile.

Risks

An investment in the Portfolio carries substantial risk. There can be no assurance that the investment objective of the Portfolio will be achieved and investment results may vary substantially over time. An investment in the Portfolio is only suitable for sophisticated investors who are able to bear the loss of a substantial portion or even all of their investment in the Portfolio. An investment in the Portfolio is not intended to be a complete investment programme for any investor.

There is no public market for Participating Shares, nor is a public market expected to develop in the future.

Complaints

AS REQUIRED BY REGULATORY MEASURES ADOPTED BY CIMA, INVESTORS ARE ADVISED THAT THEY MAY REPORT ANY COMPLAINTS RELATING TO THE OPERATIONS OF THE COMPANY TO THE INVESTMENT MANAGER FOR FURTHER HANDLING BY THE GOVERNING BODY OF THE COMPANY.

Potential investors should carefully consider the risk factors set out in the sections of the Memorandum and this Supplement headed "Risk Factors" when considering whether an

investment in the Portfolio is suitable for them in light of their circumstances and financial resources. Investors are advised to seek independent professional advice on the implications of investing in the Portfolio.

Directory

GREAT Risk-Based Portfolios SP

a segregated portfolio of

Global Returns Equity and Trading (GREAT) SPC

Directors	Subho Moulik James Macfee
Registered Office and contact address for the Directors	Harneys Fiduciary (Cayman) Limited 4th Floor, Harbour Place 103 South Church Street PO Box 10240 KY1-1002 Grand Cayman Cayman Islands
Investment Manager (and contact address for the principals of the Investment Manager)	Appreciate Investment Advisory Private Limited B/106, Rustomjee Central Park Andheri Kurla Road, Chakala, Andheri East Mumbai, Maharashtra 400093 India
Registrar and Transfer Agent	Appreciate Platform Private Limited 19th Floor, Tower C, Bhutani Alphathum, Janpath Marg, Sector 90, Noida, Gautam Buddha Nagar, Uttar Pradesh, 201305 India
NAV Calculation Agent	NAV Consulting, Inc. 1 Trans Am Plaza Drive Suite 400 Oakbrook Terrace, IL 60181, USA
Principal Office Provider	Ogier Global (Cayman) Limited 89 Nexus Way Camana Bay Grand Cayman KY1-9009 Cayman Islands
Prime Broker and Custodian	Alpaca Securities LLC 12 E 49TH ST, FLOOR 11 New York, NY 10017 United States Regulator: SEC / FINRA

Auditors	Baker Tilly US (Cayman) Ltd. PO Box 31512 Grand Cayman KY1-1207 Cayman Islands
Legal Adviser as to Cayman Islands law	Harney Westwood & Riegels (Cayman) LLP 3rd Floor, Harbour Place 103 South Church Street PO Box 11088 Grand Cayman KY1-1008 Cayman Islands

Content

Definitions

In this Supplement capitalised terms have the meanings set out in the Memorandum unless otherwise defined below:

Calculation Period	a weekly period commencing on the 1st Business Day of each week and ending on the last Business Day of each week, provided that the first Calculation Period in respect of any Series will be the period commencing on the date such Series is issued and ending on the last Business Day of that week.
Common Share	a Participating Share designated and referred to as Class "Common Share".
Initial Offer Period	in relation to any Class, the period determined by the Directors during which Participating Shares of that Class are first offered for subscription, which will commence on the date that this Supplement is first issued to prospective subscribers and end at such time and on such day as the Directors may determine.
Initial Series	in relation to any Class, the Series issued on the close of the Initial Offer Period or any Series substituted for such Series.
Investment Manager	Appreciate Investment Advisory Private Limited.
Lock-up Period	in respect of a Common Share, a Preference Fixed Coupon Class A Share, a Preference No Coupon Class A Share, a Preference No Coupon Class B Share, a Preference No Coupon Class C Share, a Preference No Coupon Class D Share, a Preference No Coupon Class E Share and a Preference No Coupon Class F Share, a period of twelve months or such shorter period as the Directors may determine.
Management Fee	the management fee payable by the Company, out of the assets of the Portfolio, to the Investment Manager pursuant to the Investment Management Agreement.
Memorandum	the private placement memorandum of the Company, as amended from time to time.
Minimum Holding	Participating Shares with an aggregate Net Asset Value of not less than US$100 or such lesser amount as the Directors may determine, either generally or in any particular case.
Net Asset Value	the net asset value of the Portfolio, the relevant Series or a Participating Share, as the case may be, determined as described in the section of the Memorandum headed "Net Asset Value".

Net Asset Value per Share	in respect of a Participating Share of any Series, the Net Asset Value of the relevant Series divided by the number of Participating Shares of such Series in issue.
Participating Share	a participating, redeemable, non-voting share of par value US$0.01 in the capital of the Company attributable to the Portfolio and being offered for subscription under the terms of the Memorandum and this Supplement. Each Participating Share operates as a unit of economic ownership in the Portfolio and can also be referred to as a unit.
Portfolio	GREAT Risk-Based Portfolios SP, a segregated portfolio of the Company established in accordance with the Articles.
Preference Fixed Coupon Class A Share	a Participating Share designated as a Preference Share in accordance with the Articles and referred to as "Preference Fixed Coupon Class A Share". The Preference Fixed Coupon Class A Share is entitled to receive a Preference Share Coupon.
Preference No Coupon Class A Share	a Participating Share designated as a Preference Share in accordance with the Articles and referred to as "Preference No Coupon Class A Share".
Preference No Coupon Class B Share	a Participating Share designated as a Preference Share in accordance with the Articles and referred to as "Preference No Coupon Class B Share".
Preference No Coupon Class C Share	a Participating Share designated as a Preference Share in accordance with the Articles and referred to as "Preference No Coupon Class C Share".
Preference No Coupon Class D Share	a Participating Share designated as a Preference Share in accordance with the Articles and referred to as "Preference No Coupon Class D Share".
Preference No Coupon Class E Share	a Participating Share designated as a Preference Share in accordance with the Articles and referred to as "Preference No Coupon Class E Share".
Preference No Coupon Class F Share	a Participating Share designated as a Preference Share in accordance with the Articles and referred to as "Preference No Coupon Class F Share".
Preference Share Coupon	means an amount equal to a 1.0 per cent per annum of the subscription price of the applicable shares.
Redemption Day	subject to the Lock-Up Period described herein, the first Business Day of each week and such other day or days as the Directors may determine, either generally or in any particular case.
Redemption Price	the price per share at which Participating Shares of the relevant Series may be redeemed, calculated in the manner described in the section of this Supplement headed "Redemptions".

Series	a Series of any Class.
Side Pocket Share	a participating, non-redeemable, non-voting share of par value US$0.01 in the capital of the Company designated as a Side Pocket Share.
Subscription Day	the first Business Day of each week and/or such other day or days as the Directors may determine, either generally or in any particular case.
Subscription Price	the price per share at which Participating Shares may be issued after the close of the Initial Offer Period, calculated in the manner described in the section of this Supplement headed "Subscriptions".
Technology Service Provider	a third-party technology service provider.
US GAAP	generally accepted accounting principles applied in the United States.
Variable Technology Fee	the variable technology fee, if any, payable by the Company, out of the assets of the Portfolio, to a Technology Service Provider.

The Portfolio

Establishment

The Portfolio was established on 20 March 2026 and has no limited or fixed duration.

Participating Shares

The Directors have created and designated 8 Classes in respect of the Portfolio, being Common Shares, Preference Fixed Coupon Class A Shares, Preference No Coupon Class A Shares, Preference No Coupon Class B Shares, Preference No Coupon Class C Shares, Preference No Coupon Class D Shares, Preference No Coupon Class E Shares and Preference No Coupon Class F Shares, which are being offered under the terms of the Memorandum and this Supplement.

At any time the Directors may create and designate additional Classes in respect of the Portfolio without notice to, or the consent of, the Shareholders. The Directors may differentiate between Classes on various bases, including as to the Dealing Currency, the fees payable, the level of information provided and redemption rights.

Dealing currency

The Dealing Currency of the Common Shares, Preference Fixed Coupon Class A Shares, Preference No Coupon Class A Shares, Preference No Coupon Class B Shares, Preference No Coupon Class C Shares, Preference No Coupon Class D Shares, Preference No Coupon Class E Shares and Preference No Coupon Class F Shares is the US Dollar. Subscriptions for, and redemptions of, Participating Shares of a Class will be processed in the relevant Dealing Currency, and the Net Asset Value per Share of the Class will be calculated and quoted in such Dealing Currency.

Consolidation of Series

A new Series of Participating Shares of each Class will be issued for each new subscription on each Subscription Day on which Participating Shares of that Class are issued. As soon as practicable after the last Valuation Day in each Calculation Period, the Participating Shares of each Series of each Class, including those whose performance has given rise to a Variable Technology Fee in respect of the relevant Calculation Period, may be consolidated into an administratively expedient number of consolidated Series of the relevant Class, as determined by the Administrator (the ***Original Series***). Such consolidation shall take place by way of the compulsory redemption of Participating Shares of the Series to be consolidated and an issue of an appropriate number of Participating Shares of the Original Series.

Grouping of Series

The Administrator may group Series of each Class as determined by the Administrator for purposes of streamlining the administration and reporting to investors. Such grouping will not constitute a transfer, sale or purchase of securities under the rules and regulations applicable to the Portfolio in the Cayman Islands.

Investment Objective, Strategies and Restrictions

Investment objective

The investment objective of the Portfolio is long term capital appreciation.

There can be no assurance that the investment objective will be achieved.

Investment strategies

The Investment Manager will seek to achieve the investment objective by identifying and investing in international equities that dynamically match portfolio objectives, for each portfolio or sub-portfolio, as may be documented from time to time. This will include investments in a wide range of potential stocks, ETFs, or bonds listed in specified markets and exchanges using a variety of strategies including the use of options and short selling where appropriate to execute effectively and in accordance with the linked portfolio or sub-portfolio strategy.

Investment restrictions

The Company has not imposed any particular investment restrictions with regard to the investment of the assets of the Portfolio.

Leverage

When deemed appropriate, the Company may employ leverage in respect of the Portfolio for working capital and/or as part of the investment strategies. Such leverage may include, without limitation, borrowing cash, securities and other instruments, purchasing futures and entering into derivative transactions and repurchase agreements. The Company may pledge assets of the Portfolio as security for borrowings. The use of leverage will increase the risk of an investment in the Portfolio. The total leverage in the Portfolio will not normally exceed 100 per cent of the latest Net Asset Value of the Portfolio.

The Company, on behalf of the Portfolio, may borrow for the purposes of paying redemption proceeds or paying expenses, if required.

Distribution policy

It is not envisaged that any income or gains derived from investments will be distributed by way of dividend. However, this does not preclude the Directors from declaring a dividend at any time in the future if they consider it appropriate to do so. If a dividend is declared, the Directors will distribute it in compliance with applicable law.

Changes to investment strategies and restrictions

The investment objective, investment strategies, investment restrictions and limits on leverage summarised above represent the current intentions of the Directors. Subject to any applicable law or regulation, the Directors may change the investment objective, investment strategies, investment restrictions and limits on leverage by giving Shareholders not less than 3 months' prior written notice of the proposed changes.

INVESTMENT MANAGER

The Investment Manager has been appointed to provide asset management services in respect of the Portfolio pursuant to an agreement between the Company, on behalf of the Portfolio, and the Investment Manager (the ***Investment Management Agreement***).

The Investment Manager is a company incorporated with limited liability in India. The Investment Manager is regulated by Securities and Exchange Board of India (SEBI). Evidence of such registration can be found at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=13.

The key personnel of the Investment Manager in relation to the Portfolio is Subho Shankar Moulik, whose biography appears below.

Subho Shankar Moulik

Subho Shankar Moulik has worked in digital financial services and investment solutions for emerging markets for over a decade. Based out of Chicago, USA, he has over two decades of leadership experience across consulting, finance, and technology, with previous roles at Whirlpool, Wayfair, McKinsey & Company, Citi, EY, and Arthur Andersen. A qualified Chartered Accountant (ACA) and MBA from London Business School, he is known for his expertise in strategy, innovation, and financial inclusion. Through Appreciate, GREAT SPC and related ventures, he is actively involved in fintech innovation, cross-border investments, and advisory roles within the digital finance ecosystem in USA and India.

INVESTMENT MANAGEMENT AGREEMENT

Pursuant to the Investment Management Agreement, the Investment Manager has discretion and authority to manage, invest and reinvest the assets of the Portfolio in pursuit of the investment objective and in accordance with the investment strategies and restrictions described in this Supplement, subject to the overall control and supervision of the Directors.

The Investment Management Agreement provides that neither the Investment Manager nor any of its directors, officers, employees or shareholders shall be liable for any loss or damage arising directly or indirectly out of or in connection with the performance by the Investment Manager of its duties and obligations under the Investment Management Agreement unless such loss or damage is due to the gross negligence, wilful default or actual fraud of the Investment Manager or its directors, officers, employees or shareholders. The Investment Management Agreement provides further that the Company shall indemnify the Investment Manager and each of its directors, officers, employees and shareholders, out of the assets of the Portfolio, against any and all liabilities, actions, proceedings, claims, demands, costs, damages and expenses which may be incurred by or asserted against the Investment Manager or any of its directors, officers, employees and shareholders in connection with the performance of any duty or obligation under the Investment Management Agreement. However, the Company will not be obliged to indemnify the Investment Manager or its directors, officers, employees or shareholders for any liabilities, actions, proceedings, claims, demands, costs, damages or expenses which are due to the gross negligence, wilful default or actual fraud of the person seeking to rely on the indemnity.

The Investment Management Agreement may be terminated on 90 days' written notice and in certain circumstances may be terminated immediately. The Investment Management Agreement is governed by the laws of the Cayman Islands.

Side Pocket Investments

If an asset held or proposed to be acquired by the Company, in respect of the Portfolio, becomes or is, in the opinion of the Directors, illiquid, the Directors may determine that such asset is to be designated a ***Side Pocket Investment***. For this purpose an asset shall be considered illiquid if, in the opinion of the Directors:

- the asset is not freely traded on a regulated market or exchange;
- the asset is subject to legal or other restrictions on transfer;
- whether through adverse market conditions, market sentiment or otherwise, the asset is not readily realisable at a fair price; or
- it is not reasonably practicable to determine a fair valuation of the asset.

The Company may invest in or hold a Side Pocket Investment directly or indirectly through a wholly owned special purpose vehicle established for such purpose.

Exchange of Participating Shares for Side Pocket Shares

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

Participating Shares having an aggregate Net Asset Value (calculated as at the most recent Valuation Day) equal to the Side Pocket Investment Cost will then be exchanged for a new Class of Side Pocket Shares. The exchange will be made by way of redemption of Participating Shares (and therefore will result in the payment of any additional Management Fee accrued in respect of such Participating Shares) and the simultaneous subscription for Side Pocket Shares at a subscription price determined by the Directors. Such exchange will be effected on a pro rata basis, based on the aggregate Net Asset Value of the Participating Shares of each Class in issue at such time.

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

Realisation of Side Pocket Investment

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

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

Fees and expenses applicable to Side Pocket Shares

The Investment Manager will be entitled to a Management Fee in respect of each Class of Side Pocket Shares equivalent to 1 per cent per annum of the Net Asset Value of each such Class.

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

Valuations

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

Redemption and transfer of Side Pocket Shares

Side Pocket Shares are not redeemable at the option of the Shareholder and, unless the Directors determine otherwise, will be redeemed only on the occurrence of a Realisation Event. The Directors may compulsorily redeem Side Pocket Shares in the circumstances set out in the section of the Memorandum headed “Redemption and Transfer – Compulsory Redemption”. The redemption price of the Side Pocket Shares which are so redeemed will be based on the estimated fair value of the relevant Side Pocket Investment less any accrued fees and expenses, as determined by the Directors. However, redemption proceeds will not be paid until the occurrence of the relevant Realisation Event.

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

Fees and Expenses

Fees payable to the investment manager

Management Fee

The Company will pay the investment manager a Management Fee, out of the assets of the Portfolio, of one-twelfth ($^{1}/_{12}$) of:

- 2 per cent per month of the Net Asset Value of each Series of Common Shares;
- 3 per cent per month of the Net Asset Value of each Series of Preference Fixed Coupon Class A Shares;
- 2.5 per cent per month of the Net Asset Value of each Series of Preference No Coupon Class A Shares;
- 2.5 per cent per month of the Net Asset Value of each Series of Preference No Coupon Class B Shares;
- 2.5 per cent per month of the Net Asset Value of each Series of Preference No Coupon Class C Shares;
- 2 per cent per month of the Net Asset Value of each Series of Preference No Coupon Class D Shares;
- 2 per cent per month of the Net Asset Value of each Series of Preference No Coupon Class E Shares; and
- 2 per cent per month of the Net Asset Value of each Series of Preference No Coupon Class F Shares;

in each case before deduction of that month's Management Fee and before making any deduction for any accrued Variable Technology Fee, as at the last Valuation Day in each month, adjusted for any subscriptions and redemptions during the month.

The Management Fee will be payable in US Dollars monthly in arrears. If the Investment Manager is not acting as Investment Manager for an entire month, the Management Fee payable for such month will be prorated to reflect the portion of such month in which the Investment Manager is acting as such.

In the case of Preference Fixed Coupon Class A Shares, any Preference Share Coupon payable in respect of such shares may be applied toward the payment of the Management Fee attributable to such shares at the discretion of the Directors from time to time.

The Management Fee will be paid to the Investment Manager as soon as reasonably practicable after the end of each month.

Performance Fee

There will be no performance fee payable to the Investment Manager.

Fees payable to the Technology Service Providers

Variable Technology Fee

The Company, or the Investment Manager on the Company's behalf, may engage one or more Technology Service Providers to support trading by the Portfolio to maximize returns of the Portfolio.

The Company, or the Investment Manager on the Company's behalf, shall at all times supervise and monitor such Technology Service Providers' performance and ensure that their services are provided in accordance with the relevant services agreement with such Technology Service Providers, the Memorandum, this Supplement and the applicable laws and regulations. Any services delegated to Technology Services Providers shall remain subject to the ultimate control and supervision of the Directors.

In consideration for the use of the services provided by a Technology Service Provider to improve the performance of the Portfolio, the Portfolio will incur the Variable Technology Fee. The Company shall pay the Variable Technology Fee out of the Portfolio's assets.

For Common Share:
The Variable Technology Fee will apply only if the appreciation in the Net Asset Value of the Series (adjusted for any redemptions and distributions) during the Calculation Period exceeds 15.00 per cent on a compounded annualized return basis. The Variable Technology Fee will be calculated as follows:

- Zero per cent if the compounded annualized return is less than 15.00 per cent; and
- 10 per cent if the compounded annualized return is 15.00 per cent or more.

For Preference Fixed Coupon Class A Share:
The Variable Technology Fee will apply only if the appreciation in the Net Asset Value of the Series (adjusted for any redemptions and distributions) during the Calculation Period exceeds 15.00 per cent on a compounded annualized return basis. The Variable Technology Fee will be calculated as follows:

- Zero per cent if the compounded annualized return is less than 15.00 per cent; and
- 10 per cent if the compounded annualized return is 15.00 per cent or more.

For Preference No Coupon Class A Share:
The Variable Technology Fee will apply only if the appreciation in the Net Asset Value of the Series (adjusted for any redemptions and distributions) during the Calculation Period exceeds 15.00 per cent on a compounded annualized return basis. The Variable Technology Fee will be calculated as follows:

- Zero per cent if the compounded annualized return is less than 15.00 per cent; and
- 10 per cent if the compounded annualized return is 15.00 per cent or more.

For Preference No Coupon Class B Share:
The Variable Technology Fee will apply only if the appreciation in the Net Asset Value of the Series (adjusted for any redemptions and distributions) during the Calculation Period exceeds 15.00 per cent on a compounded annualized return basis. The Variable Technology Fee will be calculated as follows:

- Zero per cent if the compounded annualized return is less than 15.00 per cent; and
- 9 per cent if the compounded annualized return is 15.00 per cent or more.

For Preference No Coupon Class C Share:
The Variable Technology Fee will apply only if the appreciation in the Net Asset Value of the Series (adjusted for any redemptions and distributions) during the Calculation Period exceeds 15.00 per cent on a compounded annualized return basis. The Variable Technology Fee will be calculated as follows:

- Zero per cent if the compounded annualized return is less than 15.00 per cent; and
- 8 per cent if the compounded annualized return is 15.00 per cent or more.

For Preference No Coupon Class D Share:
The Variable Technology Fee will apply only if the appreciation in the Net Asset Value of the Series (adjusted for any redemptions and distributions) during the Calculation Period exceeds 15.00 per cent on a compounded annualized return basis. The Variable Technology Fee will be calculated as follows:

- Zero per cent if the compounded annualized return is less than 15.00 per cent; and
- 7 per cent if the compounded annualized return is 15.00 per cent or more.

For Preference No Coupon Class E Share:
The Variable Technology Fee will apply only if the appreciation in the Net Asset Value of the Series (adjusted for any redemptions and distributions) during the Calculation Period exceeds 15.00 per cent on a compounded annualized return basis. The Variable Technology Fee will be calculated as follows:

- Zero per cent if the compounded annualized return is less than 15.00 per cent; and
- 6 per cent if the compounded annualized return is 15.00 per cent or more.

For Preference No Coupon Class F Share:
The Variable Technology Fee will apply only if the appreciation in the Net Asset Value of the Series (adjusted for any redemptions and distributions) during the Calculation Period exceeds 15.00 per cent on a compounded annualized return basis. The Variable Technology Fee will be calculated as follows:

- Zero per cent if the compounded annualized return is less than 15.00 per cent; and
- 5 per cent if the compounded annualized return is 15.00 per cent or more.

The Variable Technology Fee will accrue and be payable on a weekly basis.

There will be no Variable Technology Fee charged on investments in unlisted equity or Side Pocket Investments.

Unless otherwise agreed with the Company, each Technology Service Provider shall be responsible for the costs and expenses incurred by it in performing its duties and obligations under the relevant services agreement with the Company (including, without limitation, costs and expenses relating to software licensing, infrastructure, data services, and other technology related costs, office space, furnishings, equipment and personnel).

Other Fees and Expenses

The costs and expenses of, and incidental to, the establishment of the Portfolio, including a pro rata share of the establishment costs of the Company, costs and expenses relating to the negotiation and preparation of the contracts entered into by the Company on behalf of the Portfolio and the fees and expenses of professional advisers. These costs and expenses will be amortised on a straight line basis over a period of 5 years from the initial issue of Participating Shares attributable to the Portfolio. The Directors may shorten the period over which such expenses are amortised.

The Portfolio will bear its pro rata share of establishment costs and all expenses related to its investment programme and operations, as described in the Memorandum.

Subscriptions

Subscription price and issuance

Participating Shares are being offered for subscription during the Initial Offer Period at a fixed price of US$1 per Common Share, US$100 per Preference Fixed Coupon Class A Share, US$100 per Preference No Coupon Class A Share, US$1,000 per Preference No Coupon Class B Share, US$1,000 per Preference No Coupon Class C Share, US$1,000 per Preference No Coupon Class D Share, US$1,000 per Preference No Coupon Class E Share and US$1,000 per Preference No Coupon Class F Share (in each case exclusive of any Subscription Fee).

Following the close of the Initial Offer Period, Participating Shares will be available for subscription on each Subscription Day at the relevant Subscription Price. The Subscription Price will be equal to the Net Asset Value per Share (before deduction of any accrued Variable Technology Fee) of the Initial Series of the relevant Class as at the Valuation Day immediately preceding the Subscription Day on which the application is effective (and is exclusive of any Subscription Fee). If all Participating Shares of the Initial Series are redeemed, the Directors may substitute another Series as the Initial Series and may make such adjustments as they consider necessary to ensure that each Series bears its proper proportion of the liabilities of the Portfolio.

A new Series of Participating Shares of each Class will be issued for each new subscription on each Subscription Day on which Participating Shares of that Class are issued.

Subscription fee

A subscriber for Participating Shares will be required to pay a subscription fee of up to 0.5 per cent of the subscription amount. The subscription fee will be paid to the Portfolio. The Portfolio may waive or reduce such subscription fee, either generally or in any particular case.

Minimum investment

The minimum initial investment per subscriber is US$100 in the case of Common Share, US$100 in the case of Preference Fixed Coupon Class A Share, US$100 in the case of Preference No Coupon Class A Share, US$1,000 in the case of Preference No Coupon Class B Share, US$5,000 in the case of Preference No Coupon Class C Share, US$10,000 in the case of Preference No Coupon Class D Share, US$25,000 in the case of Preference No Coupon Class E Share and US$50,000 in the case of Preference No Coupon Class F Share (in each case exclusive of any Subscription Fee). The Directors may waive or reduce the minimum initial investment either generally or in any particular case.

The minimum amount of any subsequent subscription is US$100 in the case of Common Share, US$100 in the case of Preference Fixed Coupon Class A Share, US$100 in the case of Preference No Coupon Class A Share, US$1,000 in the case of Preference No Coupon Class B Share, US$5,000 in the case of Preference No Coupon Class C Share, US$10,000 in the case of Preference No Coupon Class D Share, US$25,000 in the case of Preference No Coupon Class E Share and US$50,000 in the case of Preference No Coupon Class F Share (in each case exclusive of any Subscription Fee) or such lesser amount as the Directors may determine, either generally or in any particular case.

Non-cash subscriptions

Participating Shares may be issued in exchange for assets or other property (***non-cash consideration***) at the discretion of and on terms agreed by the Directors. Any non-cash consideration will be valued by reference to the valuation principles applied in the calculation of the Net Asset Value. The Company may deduct from the value of any non-cash consideration such sum, if any, as the Directors consider represents an appropriate provision for any costs that will be incurred by the Company in accepting the non-cash consideration. Such costs may include stamp duty, transfer fees, registration fees or other charges, fees or duties associated with the transfer of the non-cash consideration to the Company. No non-cash consideration will be accepted unless the Directors are satisfied that the terms of the transfer do not materially prejudice the existing Shareholders.

Redemptions

Procedure for the redemption of Participating Shares

Subject to any restrictions set out in this section and under the section of the Memorandum headed "Net Asset Value - Suspensions", Participating Shares may be redeemed at the option of the Shareholder on any Redemption Day falling after the expiry of the Lock-up Period.

A Shareholder wishing to redeem its Participating Shares must send a completed Redemption Notice to the Registrar and Transfer Agent at the address specified in the Redemption Notice. The completed Redemption Notice must be received by no later than 5:00 p.m. (Cayman Islands time) on a Business Day falling at least 7 calendar days (or such shorter period as the Directors may permit, either generally or in any particular case) before the relevant Redemption Day. Unless the Directors agree otherwise, any Redemption Notice received after this time will be held over and dealt with on the next relevant Redemption Day.

If a Redemption Notice is received which would, if satisfied, result in the Shareholder retaining less than the Minimum Holding, the Directors may treat such Redemption Notice as a request for a partial redemption only up to the Minimum Holding or may redeem the Shareholder's entire holding of Participating Shares. A request for a redemption of Participating Shares with an aggregate Net Asset Value of less than US$100 (or such lesser amount as the Directors may determine, either generally or in any particular case) will be refused.

If a redeeming Shareholder owns Participating Shares of more than one Series, Participating Shares will be redeemed on a "first in-first out" basis for the purpose of determining the Redemption Price. Accordingly, Participating Shares of the earliest issued Series held by the Shareholder will be redeemed first, at the Redemption Price of Participating Shares of such Series until the redeeming Shareholder no longer owns any Participating Shares of such Series.

Redemption price and redemption proceeds

The Redemption Price of a Participating Share will be equal to the Net Asset Value per Share of the relevant Series as at the Valuation Day immediately preceding the relevant Redemption Day.

Redemption fee

A redemption fee of up to 0.5 per cent of the Redemption Price will be charged on the redemption of any Participating Share. The Directors may waive all or part of the redemption fee. The redemption fee will be deducted from the redemption proceeds and paid to the Portfolio.

Settlement

Payment of redemption proceeds will normally be made within 7 Business Days of the later of (i) the finalisation of the Redemption Price for the relevant Redemption Day, and (ii) the date on which the Registrar and Transfer Agent has received the Redemption Notice and such other information and documentation as may be required. Payment will be made in the Dealing Currency of the Participating Shares being redeemed by direct transfer to an account in the name of the Shareholder. Any costs incurred in making the transfer will be borne by the Shareholder. No redemption proceeds will be paid to a third party. No interest will be paid to the Shareholder in respect of redemption proceeds.

A Shareholder may request that payment of redemption proceeds be made in a currency other than the relevant Dealing Currency. If the Directors permit payment in a currency other than the relevant Dealing Currency the cost of conversion will be deducted from the redemption proceeds.

Audit holdback

If a Shareholder redeems 95 per cent or more of its Participating Shares, up to 5 per cent of the redemption proceeds may be held back pending completion of the next occurring annual audit. Promptly after completion of the audit, the balance, if any, of the amount to which such Shareholder is entitled after taking account of any adjustment made to the relevant Redemption Price as a result of the audit will be paid to such Shareholder. No interest will be paid in respect of redemption proceeds held back.

Risk Factors

An investment in the Portfolio entails substantial risk. The nature of the investments of the Portfolio involves certain risks including, but not limited to, those listed below and the Investment Manager may utilise investment techniques which carry additional risks. Potential investors should carefully consider the following risk factors and the risk factors set out in the Memorandum, amongst others, in determining whether an investment in the Portfolio is suitable for them.

Risks associated with the investment strategies

Availability of investment strategies. The success of the investment strategies of the Portfolio will depend on the ability of the Company to identify overvalued and undervalued investment opportunities and to exploit price discrepancies in the financial markets, as well as to assess the impact of news and events that may affect the financial markets. Identification and exploitation of the investment opportunities to be pursued involves a high degree of uncertainty. No assurance can be given that the Company will be able to locate suitable investment opportunities in which to deploy all of the assets of the Portfolio or to exploit discrepancies in the securities and derivatives markets. Market factors including a reduction in market liquidity or the pricing inefficiency of the markets in which the assets of the Portfolio are invested, may reduce the scope for the investment opportunities for the Portfolio.

Combination transactions. The Company may engage in spreads or other combination options transactions involving the purchase and sale of related options and futures contracts. These transactions are considerably more complex than the purchase or writing of a single option. They involve the risk that executing simultaneously two or more buy or sell orders at the desired prices may be difficult or impossible and the possibility that a loss could be incurred on both sides of a multiple options transaction. Also, the transaction costs of combination options transactions can be especially significant because separate costs are incurred on each component of the combination.

Concentration of investments. The Investment Manager is not subject to any requirement to diversify the assets of the Portfolio and consequently such assets may at any time be heavily concentrated in a limited number of positions. In attempting to maximise returns, the holdings of the Portfolio may be concentrated in those countries, sectors, markets, asset classes, instruments or issuers which, in the judgment of the Company, provide the best profit opportunity in view of the investment objective. Such concentration increases the risk of an investment in the Portfolio by increasing the relative impact of changes in the market, economic or political environment affecting particular countries, sectors, markets and issuers. The Portfolio could be subject to significant losses if it holds a large position in a particular investment that declines in value or is otherwise adversely affected (including as a result of default by the issuer).

Convertible securities. Assets of the Portfolio may be invested in convertible securities. Convertible securities are preferred stocks or debt obligations that are convertible into common stock and consequently have both equity and fixed income risk characteristics. Like all fixed income securities, the value of convertible securities will tend to decline as interest rates increase. If the market price of the underlying stock approaches or exceeds the conversion price of the convertible security, the convertible security will tend to reflect the market price of the underlying stock. If the value of the underlying stock then falls below the conversion price the convertible security may lose much or all of its value. As the market price of the underlying stock declines, a convertible security will tend to trade increasingly based on its fixed income characteristics and so may not decline in price as much as the underlying stock. Generally, convertible securities offer lower interest or dividend yields than non-convertible securities of similar quality and have less potential for gains or capital appreciation in a rising stock market than other equity securities. They tend to be more volatile than other fixed income securities and the markets for convertible securities may be less liquid than markets for common stocks or bonds. Additionally, an issuer may have the right to buy back convertible securities at a time and price that is unfavourable to the Portfolio.

Counterparty risk. The Portfolio is subject to the risk of the inability of any counterparty (including any prime brokers and custodians) to perform with respect to transactions, whether due to insolvency, bankruptcy or other circumstances. The Portfolio is subject to the risk that counterparties may not have access to finance and/or assets at the relevant time and may fail to comply with their obligations under the relevant sale and repurchase agreements. In the event of any counterparty entering an insolvency procedure, the Company could experience delays in liquidating positions and significant losses could be incurred, including the loss of that portion of the assets of the Portfolio financed through such a transaction, a decline in value of the relevant investment during the period in which the Company seeks to enforce the contract, an inability to realise any gains on its investment during such period and fees and expenses incurred in enforcing the contract. During an insolvency procedure (which may last many years) the use of assets held by or on behalf of the relevant counterparty may be restricted and accordingly (a) the ability of the Company to fulfil the investment objective may be severely constrained, (b) the Directors may be required to suspend the calculation of the Net Asset Value and as a result subscriptions for and redemptions of Participating Shares. During such a procedure, the Portfolio is likely to be an unsecured creditor in relation to certain assets (including those in respect of which it had previously been a secured creditor) and accordingly it may not be possible to recover such assets from the insolvent estate of the relevant counterparty in full, or at all.

Credit default swaps. Assets of the Portfolio may include long and short positions in credit default swaps. A credit default swap is a type of credit derivative contract which allows one party (the ***protection buyer***) to transfer the credit risk of an entity (the ***reference entity***) to one or more other parties (the ***protection seller***). The protection buyer pays a periodic fee to the protection seller in return for protection against the occurrence of certain specified credit events experienced by the reference entity. Credit default swaps carry specific risks including high levels of gearing, the possibility that premiums are paid for credit default swaps which expire worthless, wide bid/offer spreads and documentation risks. In addition, there can be no assurance that the counterparty to a credit default swap will be able to fulfil its obligations under the swap if a credit event occurs in respect of the reference entity. Further, the counterparty to a credit default swap may seek to avoid payment following an alleged credit event by claiming that there is a lack of clarity in, or an alternative meaning of, language used in the contract, most notably the language specifying what would amount to a credit event.

Credit risk. Investment in debt securities is subject to the credit risk of the issuers which may be unable or unwilling to make timely payments of principal and/or interest. In general, debt instruments that have a lower credit rating, or that are unrated, are subject to a higher degree of credit risk. The credit rating of a security represent a rating agency's opinions regarding the issuer's credit quality and is not a guarantee of the future credit performance of such issuer. Rating agencies attempt to evaluate an issuer's credit worthiness by determining its ability to pay back a loan. They do not evaluate the risks of fluctuation in the market value of the issued security but fluctuations in the market value of a security may be affected by the ratings assigned to the issuer. In particular, if the credit rating of an issuer is downgraded the market value of the securities of such issuer may be adversely affect. In the event of a default or a downgrading in the credit rating of the issuer of any fixed income instrument held by the Company, the Net Asset Value may be adversely affected. Debt securities are offered on an unsecured basis without collateral, and will rank equally with other unsecured debts of the relevant issuer. As a result, if the issuer becomes bankrupt, proceeds from the liquidation of the issuer's assets will be paid to holders of debt securities only after all secured claims have been satisfied in full. The Portfolio is therefore exposed to the credit risk of the issuers of the debt securities as an unsecured creditor.

Currency exposure. Assets of the Portfolio may be invested in securities and other investments which are denominated in currencies other than the currency or currencies in which Participating Shares are denominated. Accordingly, the value of such assets may be affected favourably or unfavourably by fluctuations in currency rates. The Company may seek to hedge the foreign currency exposure but the Portfolio will necessarily be subject to foreign exchange risks and there can be no assurance that any hedges which are put in place will be effective. Prospective investors whose assets and liabilities are predominantly in currencies other than the currency in which their Participating Shares will be denominated should take into account the potential risk of loss arising from fluctuations in value between the currency in which their Participating Shares will be denominated, the currency of investment and the currencies of their assets and liabilities.

Derivative instruments. The Company may make extensive use of both exchange-traded and over-the-counter derivative instruments such as futures, forwards, swaps, options and contracts for differences. Derivative instruments typically have a high degree of leverage embedded in them and consequently a relatively small movement in the price of an instrument may result in a profit or a loss which is high in proportion to the margin deposited. In the event that a call for further margin exceeds the amount of cash available in the Portfolio, the Company will be required to close out the relevant contract. The derivatives market is often characterised by limited liquidity and daily limits on price fluctuations and speculative position limits on exchanges may prevent prompt liquidation of positions resulting in potentially greater losses. When used for hedging purposes there may be an imperfect correlation between derivatives and the investments or market sectors being hedged. The pricing relationships between derivatives and the underlying instruments on which they are based may not conform to anticipated or historical correlation patterns, resulting in unanticipated losses.

Transactions in over-the-counter derivative instruments may involve additional risk as there is no exchange market on which to close out a position. It may be impossible to liquidate an existing position, to assess the value of a position or to assess the exposure to risk. Furthermore, "bid-ask" spreads may be unusually wide in the substantially unregulated over-the-counter markets. Certain counterparties may require collateral in connection with over-the-counter transactions. Although the Company will principally engage in such transactions with money centre financial institutions, the Portfolio will still be subject to counterparty risk including the risk of loss of such collateral. The risk of counterparty non-performance can be significantly greater in the case of these over-the-counter instruments as opposed to exchange-traded derivative instruments.

Directional trading. Certain of the positions taken by the Company will be designed to profit from forecasting absolute price movements in a particular instrument or asset class. Predicting future prices is inherently uncertain and the losses incurred, if the market moves against a position, will often not be hedged. The speculative aspect of attempting to predict absolute price movements is generally perceived to exceed that involved in attempting to predict relative price fluctuations.

Emerging markets. Assets of the Portfolio may be invested in equities or other securities of companies incorporated in, or whose business operations are in, emerging markets. Such investments involve a greater degree of risk than an investment in securities of issuers based in more developed countries. Additional risks that may be encountered include the following:

(a) *Political factors*: Emerging markets will typically have greater political and economic risks than more developed markets, including: (i) greater risks of expropriation, nationalisation and lower social, political and economic stability; (ii) a greater level of government involvement in and control over the economy: (iii) substantially higher rates of inflation; (iv) certain national policies which may restrict the opportunities for foreign investment, including restrictions on investing in issuers or industries deemed sensitive to the national interest; and (v) bureaucratic restraints relating to foreign investment.

(b) *Economic factors*: The economies of emerging markets are generally heavily dependent on international trade and accordingly may be adversely affected by economic conditions in the countries with which they trade and/or protectionist measures imposed or negotiated by the countries with which they trade including trade barriers, exchange controls and managed adjustments in relative currency values and other. The economies of certain emerging markets may be based predominantly on only a few industries making them vulnerable to changes in trade conditions.

(b) *Developing legal system*: At present, the securities market and the regulatory framework for the securities industry in many emerging markets is at an early stage of development. Tax and associated laws are also evolving on a continuing basis. As these laws, regulations and legal requirements are relatively recent, interpretation and enforcement involve significant uncertainty. In particular, laws governing business organisations, bankruptcy and insolvency in emerging markets may provide substantially less protection to investors than that provided by the laws of more developed countries.

(c) *Market considerations*: As emerging markets are at an early stage of development, they typically have less volume, are less liquid and experience greater volatility than more established markets. When seeking to sell emerging market securities, little or no market may exist for the securities. Settlement of transactions may be subject to delay and administrative uncertainties.

(d) *Currency*: The currencies in which investments are denominated may be unstable, highly volatile and/or subject to significant depreciation. Risks associated with any particular currency may be difficult to quantify and, therefore, hedge against. Such currencies may not be freely convertible or may be subject to restrictions on repatriation.

(e) *Custody and brokerage risk*: Custodians in emerging markets are not able to offer the level of service and safe-keeping in relation to the settlement and administration of securities that is customary in more developed markets. In particular, there is a risk that the Company will not be recognised as the owner of securities held on its behalf by a sub-custodian. Settlement of trades in some emerging markets is much slower and subject to a greater risk of failure than in markets in more developed countries.

(f) *Less reliable information*: Issuers based in emerging markets are often not subject to uniform accounting and financial reporting standards, practices and requirements comparable to those applicable to issuers based in more developed countries. Consequently financial and other information available may be incomplete and unreliable and there is potentially an increased the risk of fraud or other deceptive practices. Furthermore, the quality and reliability of official data published by the government or securities exchanges in emerging markets may not accurately reflect the actual circumstances being reported.

Equity securities generally. Numerous inter-related and difficult to quantify economic factors, as well as market sentiment and subjective political factors can influence the price of equities. Common stock and similar equity securities generally represent the most junior position in an issuer's capital structure and, as such, generally only entitle holders to an interest in the remaining assets of the issuer after all more senior claims to such assets have been satisfied. Holders of equity securities are generally entitled to dividends only if and to the extent declared by the issuer out of income or other assets available after making interest, dividend and any other required payments on more senior securities of the issuer. Equity prices are directly affected by issuer-specific events, whether actual or perceived, as well as general market and economic conditions. Market prices of equity securities as a group have dropped dramatically in a short period of time on several occasions in the past, and they may do so again in the future. Warrants and stock purchase rights are securities permitting, but not obligating, their holders to subscribe for other equity securities, and they do not represent any rights in the assets of the issuer. As a result, warrants and stock purchase rights may be considered more speculative than other types of equity investments.

Event-oriented trading. Event-oriented trading can include the purchase of a company's securities after the company's announcement of a significant corporate restructuring event such as a merger, acquisition transaction or exchange offer. The price offered for securities of a company involved in an announced deal generally represents a significant premium above the market price before the announcement and securities may be purchased at prices often only slightly below the anticipated value of such securities post-event. If the proposed transaction is not consummated or is delayed, the market price of the securities will usually decline, potentially resulting in a loss for the Portfolio. The consummation of mergers, acquisitions and exchange offers can be prevented or delayed by a variety of factors, including (i) opposition of the management or shareholders of the target company, (ii) intervention of a regulatory authority, (iii) efforts by the target company to pursue a "defensive" strategy, including a merger with a company other than the acquirer, (iv) market conditions resulting in material changes in securities prices, (v) inability to obtain adequate financing. Assets of the Portfolio may include securities of companies that, in the view of the Investment Manager, are undervalued because they are likely candidates for a merger, acquisition transaction or exchange offer. In such a case, if the anticipated transaction does not in fact occur, the securities may be sold at a loss.

Exchange traded funds (***ETFs***). ETFs are investment companies are bought and sold on a securities exchange. An ETF will aim to track an underlying index either by acquiring the constituent securities of the relevant underlying index (or a representative sample of such securities) or by synthetically replicating the constituent securities of the relevant underlying index. If the assets of the Portfolio are invested in an ETF, the Portfolio will bear additional expenses based on its pro rata share of the ETF's operating expenses. In addition, the Portfolio will incur brokerage costs when purchasing and selling shares of ETFs. The risk of owning shares in an ETF generally reflects the risks of the underlying securities held by the ETF and the investment strategies employed by the ETF (such as the use of leverage).

ETFs are passively managed in that they do not try to beat or perform better than the relevant underlying index. An ETF will invest (either directly or indirectly) in the securities included in or representative of its underlying index regardless of their investment merit. Any fall in the relevant underlying index is therefore expected to result in corresponding fall in the value of the ETF. For synthetic ETFs investments are not made directly in the securities included in or representative of its underlying index. Instead such ETFs invest in derivative instruments which aim to replicate the economic benefit of such securities. As such, these ETFs would be subject to the risks of owning derivative instruments. If the performance of a synthetic ETF is affected by these risks, the performance of the Portfolio will also be adversely affected. Also, synthetic ETFs may have higher tracking error as compared to physical ETFs due to factors including costs of acquiring and holding derivative instruments, availability of derivative instruments and foreign ownership restrictions.

Financing arrangements. Borrowings by the Company may include the use of securities margin, futures margin, margined option premiums, repurchase agreements, bank or dealer credit lines or the notional principal amounts of swap transactions. There can be no assurance that the Company will be able to maintain adequate financing arrangements under all market circumstances. Banks and dealers that provide financing can typically apply essentially discretionary margin, "haircut", financing, security and collateral valuation policies. Changes by banks and dealers in one or more of these policies, or the imposition of other credit limitations or restrictions, whether due to market circumstances, government, regulatory or judicial action, may result in large margin calls, loss of financing, forced liquidations of positions, termination of swap and repurchase agreements and cross-defaults to agreements with other banks and 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 simultaneously. The imposition of any such limitations or restrictions could compel the Company to liquidate positions at disadvantageous prices, leading to losses.

Forward foreign exchange contracts. A forward foreign exchange contract is a contractually binding obligation to purchase or sell a particular currency at a specified date in the future. Forward foreign exchange contracts are not uniform as to the quantity or time at which a currency is to be delivered and are not traded on exchanges. Rather, they are individually negotiated transactions. Forward foreign exchange contracts are effected through a trading system known as the interbank market. It is not a market with a specific location but rather a network of participants electronically linked. Documentation of transactions generally consists of an exchange of telex or fax messages. There is no limitation as to daily price movements on this market and in exceptional circumstances there have been periods during which certain banks have refused to quote prices for forward foreign exchange contracts or have quoted prices with an unusually widespread between the price at which the bank is prepared to buy and that at which it is prepared to sell. Transactions in forward foreign exchange contracts are not regulated by any regulatory authority nor are they guaranteed by an exchange or clearing house. The Portfolio will be subject to the risk of the inability or refusal of its counterparties to perform with respect to such contracts. Any such default would eliminate any profit potential and compel the Company to cover its commitments for resale or repurchase, if any, at the then current market price. These events could result in significant losses.

General economic and market conditions. The success of the Portfolio will be affected by general economic and market conditions, such as interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws, trade barriers, currency exchange controls and national and international political circumstances. These factors may affect the level and volatility of securities prices and the liquidity of the investments of the Portfolio. Volatility or illiquidity could impair the profitability of the Portfolio or result in losses.

Governmental intervention. The global financial markets have recently undergone pervasive and fundamental disruptions and dramatic instability which has led to extensive and unprecedented governmental intervention. Regulators in many jurisdictions implemented a number of wide-ranging emergency regulatory measures, including restrictions on the short selling of financial and other stocks in many jurisdictions. Such intervention was in certain cases implemented on an emergency basis without much or any notice with the consequence that some market participants' ability to continue to implement certain strategies or manage the risk of their outstanding positions was suddenly and/or substantially eliminated. Given the complexities of the global financial markets and the limited time frame within which governments were able to take action, these interventions were sometimes unclear in scope and application, resulting in confusion and uncertainty which in itself was materially detrimental to the efficient functioning of such markets as well as previously successful investment strategies. It is impossible to predict with certainty what additional or future governmental restrictions may be imposed on the markets and/or the effect of such restrictions on the Company's ability to implement the investment objective of the Portfolio. However, the Company believes that there is a likelihood of increased regulation of the global financial markets, and that such increased regulation could be materially detrimental to the performance of the Portfolio.

Global market exposure. Assets of the Portfolio will be invested on a global basis in both developed and emerging markets. Consequently the Portfolio is subject to (i) currency exchange-rate risk, (ii) the possible imposition of withholding, income or excise taxes, (iii) the absence of uniform accounting, auditing and financial reporting standards, practices and disclosure requirements and little or potentially biased government supervision and regulation, and (iv) economic and political risks, including expropriation, currency exchange control and potential restrictions on investment and repatriation of capital.

Hedging transactions. Although the Company may utilize a variety of financial instruments, such as derivatives, options, interest rate swaps, swaptions, caps and floors, futures and forward contracts generally for risk management purposes, there can be no assurances that a particular hedge is appropriate, or that a certain risk is measured properly. Hedging against a decline in the value of a position does not eliminate fluctuations in the values of that position or prevent losses if the value of such position declines, but establishes another position designed to gain from those same developments, thus offsetting the decline in the position's value. Such hedging transactions therefore also limit the opportunity for gain if the value of the hedged positions should increase. Accordingly, while the Company may enter into hedging transactions to seek to reduce risk, such transactions may result in a poorer overall performance and increased (rather than reduced) risk for the Portfolio. Moreover, the Portfolio will always be exposed to certain risks, such as credit risk, that cannot be hedged.

Highly volatile instruments. The prices of derivative instruments, including options prices, are highly volatile. Price movements of forward contracts and other derivative contracts are influenced by, among other things, (i) interest rates, (ii) changing supply and demand relationships, (iii) trade, fiscal, monetary, and exchange control programs and policies of governments, and (iv) national and international political and economic events and policies. In addition, governments from time to time intervene, directly and by regulation, in certain markets. Such intervention is often intended directly to influence prices and may, together with other factors, cause all of such markets to move rapidly in the same direction because of, among other things, interest rate fluctuations. The Portfolio is also subject to the risk of the failure of any of the exchanges on which its positions trade or of their clearing houses.

Illiquid investments. Assets of the Portfolio may include investments in securities that are not listed on a stock exchange or traded in an over-the-counter market, are subject to legal or other restrictions on transfer or are the subject of anticipated disposals or restructuring. Issuers whose securities are not publicly traded are not subject to the disclosure and other investor protection requirements that would be applicable if their securities were publicly traded. As a result of the absence of a public trading market for these securities there may be substantial delays in attempting to sell them. Although these securities may be resold in privately negotiated transactions, the sale of any such securities may be possible only at substantial discounts and settlement of transactions may be subject to delay and administrative uncertainties. The market prices, if any, of such securities tend to be more volatile and it may be extremely difficult to value any such securities accurately. Any valuations may not be indicative of what actual fair market value would be in an active, liquid or established market. The purchase or sale of such securities at desired prices or in desired quantities may be difficult or impossible. Accordingly, the ability of the Company to respond to market movements may be impaired and the Portfolio may experience adverse price movements upon liquidation of investments.

Interest rate risk. Investment in debt securities is subject to interest rate risk. Generally, the value of debt securities is expected to be inversely correlated with changes in interest rates. As interest rates rise, the market value of debt securities tends to decrease. Long-term debt securities in general are subject to higher sensitivity to interest rate changes than short-term debt securities. The Company may attempt to minimize exposure to interest rate changes through the use of interest rate swaps, interest rate futures and/or interest rate options. However, there can be no expectation or guarantee that the Company will be successful in fully mitigating the impact of interest rate changes.

Investing in collective investment schemes. The assets of the Portfolio may include investments in investment vehicles or collective investment schemes (collectively, ***Investment Entities***) managed by third party managers. The risks associated with investing in Investment Entities include:

- *Imperfect information*. Although the Company will attempt to monitor the performance of any Investment Entities invested in, the Company will not receive perfect information regarding the actual investments made by the Investment Entities and must ultimately rely on (i) the investment manager or sponsor of each Investment Entity to operate in accordance with the investment strategy or guidelines laid out by such investment manager or sponsor, and (ii) the accuracy of the information provided by such investment manager or sponsor.

- *Independent decision making*. Investment decisions are made independently at the level of Investment Entities and it is possible that some third party managers will take positions, which may be offsetting positions, in the same security, currency or commodity at the same time. Consequently, there is no guarantee that the selection of Investment Entities will result in a diversification of investment styles.

- *Lack of liquidity*. Although the Company will seek to select Investment Entities which offer the opportunity to have their shares or units redeemed within a reasonable timeframe, there can be no assurance that the liquidity of the investments of an Investment Entity will always be sufficient to meet redemption requests as and when made. A lack of liquidity in an Investment Entity may also result in difficulties in determining the net asset value of the Investment Entity.

- *Layering of fees*. Investment Entities will typically pay management fees and may pay fees based on the performance of the investments. As a consequence of investing in Investment Entities, the Portfolio will bear a pro rata share of the fees and expenses incurred by the Investment Entity.

- *Nature of the investments of the Investment Entities*. The Investment Entities may invest in and actively trade instruments with significant risk characteristics, including risks arising from the volatility of securities, financial futures, derivatives, currency and interest rate markets, the leverage factors associated with trading in such markets and instruments, and the potential exposure to loss resulting from counterparty defaults.

- *No active role in management*. The Company will not have an active role in the day-to-day management of the Investment Entities and will not control any investment decisions made by third party managers.

Investing in managed accounts. From time to time assets of the Portfolio may be invested through individual accounts managed by unaffiliated portfolio managers (collectively, ***Managed Accounts***). Managed Accounts are typically not subject to the limitations on liability generally offered by collective investment vehicle. Accordingly, if a Managed Account employs leverage, the Portfolio would be subject to the risk of losses beyond its allocation of assets to such Managed Account.

Leverage and borrowings. The Portfolio will employ leverage, including through borrowing, for the purpose of making investments. The use of leverage creates special risks and may significantly increase the investment risk of the Portfolio. Leverage creates an opportunity for greater yield and total return but, at the same time, will increase the exposure of the Portfolio to capital risk and interest costs. Any investment income and gains earned on investments made through the use of borrowings that are in excess of the interest costs associated therewith may cause the Net Asset Value of the Portfolio to increase more rapidly than would otherwise be the case. Conversely, where the associated interest costs are greater than such income and gains, the Net Asset Value of the

Portfolio may decrease more rapidly than would otherwise be the case. The use of leverage may expose the Portfolio to the risk of margin calls or interim margin requirements which may force premature liquidation of investment positions. This may cause the Portfolio to suffer significant losses even if the value of such investments recovers subsequently.

Market disruptions. The Portfolio may incur major losses in the event of disrupted markets and other extraordinary events which may affect markets in a way that is not consistent with historical pricing relationships. The risk of loss from a disconnect with historical prices is compounded by the fact that in disrupted markets many positions become illiquid, making it difficult or impossible to close out positions against which the markets are moving. The financing available to the Portfolio from its banks, dealers and other counterparties will typically be reduced in disrupted markets. Such a reduction may result in substantial losses to the Portfolio. A sudden restriction of credit by the dealer community has resulted in forced liquidations and major losses for a number of investment funds and other vehicles. Because market disruptions and losses in one sector can cause ripple effects in other sectors, many investment funds and other vehicles have suffered heavy losses even though they were not necessarily heavily invested in credit-related investments. In addition, market disruptions caused by unexpected political, military and terrorist events may from time to time cause dramatic losses for the Portfolio and such events can result in otherwise historically low-risk strategies performing with unprecedented volatility and risk. A financial exchange may from time to time suspend or limit trading. Such a suspension could render it difficult or impossible for the Company to liquidate affected positions and thereby expose the Portfolio to losses. There is also no assurance that off-exchange markets will remain liquid enough for the Company to close out positions.

Market liquidity. The Portfolio may be adversely affected by a decrease in market liquidity for the instruments in which it invests which may impair its ability to adjust its positions. The size of the Portfolio's positions may magnify the effect of a decrease in market liquidity for such instruments. Changes in overall market leverage, deleveraging as a consequence of a decision by any lender not to offer credit or by other counterparties to reduce the level of leverage available, or the liquidation by other market participants of the same or similar positions may also adversely affect the Portfolio.

Nature of investments. The Investment Manager will have broad discretion in making investments for the Portfolio. Investments will generally consist of various instruments and other assets that may be affected by business, financial market or legal uncertainties. There can be no assurance that the Investment Manager will correctly evaluate the nature and magnitude of the various factors that could affect the value of and return on investments. Prices of investments may be volatile, and a variety of factors that are inherently difficult to predict, such as domestic or international economic and political developments, may significantly affect the results of the activities of the Portfolio and the value of its investments. Among other things, performance will depend upon the Investment Manager's ability to assess the importance of news and events, forecast macro trends, make accurate forecasts about economic and fundamental factors and their potential impact on financial markets. Unexpected movements in interest rates, foreign exchange, credit defaults and spreads, commodity prices or equity values can adversely affect the performance. No guarantee or representation is made that the investment objective of the Portfolio will be achieved.

No minimum size. The Portfolio may begin operations without attaining any particular level of assets. At low asset levels, the Company may be unable either to diversify investments as fully as would otherwise be desirable or to take advantage of potential economies of scale, including the ability to obtain the most timely and valuable research and trading information from broker-dealers and other market participants. It is possible that even if the Portfolio operates for a period with substantial capital, redemptions could diminish the assets of the Portfolio to a level that does not permit the most efficient and effective implementation of the investment strategies of the Portfolio.

Options. There are inherent risks in buying and selling options. The seller of a covered call option (ie the seller has a long position in the underlying security) assumes the risk of a decline in the market price of the underlying security to a level below the purchase price of the security, less the premium received on the call option. The seller of a covered call option also gives up the opportunity for gain on the underlying security above the exercise price of the call. 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 buyer of a call option assumes the risk of losing the premium invested in the option. The seller of a covered put option (ie the seller 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 below the exercise price of the option less the premium received on the put 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 the premium it paid to purchase the put option. The options markets have the authority to prohibit the exercise of particular options, which if imposed when trading in the option has also been halted, would lock holders and writers of that option into their positions until one of the two restrictions has been lifted.

Overall investment risk. All investments of the Portfolio risk the loss of capital. The nature of the securities to be purchased and traded for the Portfolio and the investment techniques and strategies to be employed in an effort to increase profits may increase this risk. Many unforeseeable events, including actions by various government agencies, and domestic and international political events, may cause sharp market fluctuations. Changes in the macroeconomic environment, including, for example, interest rates, inflation rates, industry conditions, competition, technological developments, political events and trends, changes to tax laws, currency exchange rates, regulatory policy, employment and consumer demand and innumerable other factors, can substantially and adversely affect the performance of an investment of the Portfolio. None of these conditions will be within the control of the Company and there can be no assurance that the Portfolio will not incur losses.

Participation on creditors' committees. Assets of the Portfolio may include securities of issuers involved in bankruptcy or reorganisation and the Company may participate in committees formed by creditors to negotiate with the management of such issuers. The Company may also seek to negotiate directly with debtors with respect to restructuring issues. In the situation where the Company chooses to join a creditors' committee, the Company would likely be only one of many participants, each of whom would be interested in obtaining an outcome that is in its individual best interest. There can be no assurance that the Company would be successful in obtaining results most favourable to it in such proceedings, although significant legal fees and other expenses could be incurred in attempting to do so. As a result of participation by the Company on such committees, the Company may be deemed to have duties to other creditors represented by the committees, which might thereby expose the Portfolio to liability to such other creditors who disagree with the actions of the Company.

Participation in restructuring activities frequently provides the participant with material non-public information that may restrict the Company's ability to trade in the relevant issuer's securities. Determination of whether information is material and non-public and how long knowledge of such information restricts trading is a matter of considerable uncertainty and judgment. While the Company intends to comply with all applicable securities laws and to make judgments concerning restrictions on trading in good faith, the Company may trade in a company's securities while engaged in restructuring activities relating to that company. Such trading creates a risk of litigation and liability that may cause the Portfolio to incur significant legal fees and potential losses.

Relative value strategy risk. The Company may pursue relative value strategies by taking long positions in securities believed to be undervalued and short positions in securities believed to be overvalued. Similar relative value strategies may be executed with derivatives, cash assets and/or a combination of these. The success of these strategies is dependent on the Company's ability to exploit relative mispricing among interrelated instruments. Although relative value positions are considered to have a lower risk profile than directional trades (which attempt to exploit overall price movements rather than price differentials), relative value strategies are by no means without risk. Mispricing, even if correctly identified, may not converge within the time frame within which the Company maintains positions. The Portfolio may incur a loss in the event that the perceived mispricing underlying positions fail to converge toward, or diverge further from, the expected relationships.

The Company's relative value strategies are subject to the risks of disruptions in historical price relationships, the restricted availability of credit and the obsolescence or inaccuracy of its or third-party valuation models. Market disruptions may also force the Company prematurely to close out one or more positions. Such disruptions have in the past resulted in substantial losses for funds employing relative value strategies. A major component of relative value trading involves spreads between two or more positions. To the extent the price relationships between such positions remain constant, no gain or loss may occur. Such positions do, however, entail a substantial risk that the price differential could change unfavourably and, if leveraged, result in increased losses. In addition, changes in the shape of the yield curve can cause significant changes in the profitability of hedging or spreading operations.

Repurchase and reverse-repurchase agreements. The use of repurchase and reverse-repurchase agreements involves certain risks. For example, if the seller of securities under a repurchase agreement defaults on its obligation to repurchase the underlying securities, as a result of its bankruptcy or otherwise, the Company will seek to dispose of such securities, which action could involve costs or delays. If the seller becomes insolvent and subject to liquidation or reorganisation under applicable bankruptcy or other laws, the ability of the Company to dispose of the underlying securities may be restricted. Finally, it is possible that the Company may not be able to substantiate its interest in the underlying securities. If the seller fails to repurchase the securities, the Portfolio may suffer a loss to the extent proceeds from the sale of the underlying securities are less than the repurchase price. Similar elements of risk arise in the event of the bankruptcy or insolvency of the buyer.

Reliance on financial reporting. Investment strategies implemented in respect of the Portfolio may rely on the financial information made available by the issuers in which the assets of the Portfolio are invested. The Company will have no ability to independently verify the financial information disseminated by such issuers and is dependent upon the integrity of both the management of these issuers and the financial reporting process in general. Recent events have demonstrated the material losses which investors can incur as a result of corporate (as well as government agency) mismanagement, fraud and accounting irregularities.

Risk management. The Investment Manager intends to apply a risk management approach that it believes is appropriate for the Portfolio. The application of any risk management approach involves numerous judgments and qualitative assessments. No risk management system is fail-safe, and no assurance can be given that the risk controls adopted will achieve their objectives. From time to time, without notice to Shareholders, the Investment Manager may modify or change the risk management system and procedures adopted for the Portfolio.

Short selling. Short selling involves the Portfolio selling securities that it borrows from a securities lender and is obliged to return at a later date. The Portfolio will ordinarily fulfil its obligation to return the borrowed securities by acquiring them on the open market. The Portfolio must also pay the securities lender any dividends or interest payable on the securities during the borrowing period and may have to pay a premium to borrow the securities and/or deposit cash of marketable securities with the lender as collateral. Short selling allows the Portfolio to profit from a decline in the price of the relevant securities. However if, contrary to the Investment Manager's expectations, the price of the relevant securities increases, the Portfolio will suffer a loss equal to the difference between the cost of acquiring the securities and the net proceeds from the sale. A short sale theoretically creates the risk of an unlimited loss, in that there is no limit on how much the price of the security may appreciate before the short position is closed out.

There can be no assurance that the securities necessary to cover a short position will be available for purchase by the Portfolio. If the lender requires that the securities be returned on short notice it may be necessary to replace the borrowed securities with purchases on the open market at a disadvantageous time, possibly at prices significantly in excess of the proceeds received from originally selling the securities short. Purchasing securities to close out the short position can itself cause the price of the securities to rise further, thereby exacerbating any loss. In addition, if a sufficient number of market participants have entered into a short position, the short position may not react in the same way as a security would with no or limited short interest. In certain circumstances it may be difficult to establish a desired short position, whether due to limited supply of the security available for borrowing, regulatory restrictions or otherwise. As a result the ability of the Investment Manager to fulfil the investment objective of the Portfolio may be constrained.

Special purpose vehicles. Investments of the Portfolio may be held or made through special purpose vehicles (***SPVs***). SPVs may be domiciled in offshore jurisdictions for administrative convenience, for the benefit of double tax treaties or for other reasons. SPVs may take the form of limited companies, limited liability corporations or limited partnerships as well as any other type of entity considered by the Company to be appropriate in the circumstances. SPVs may borrow to finance and leverage investments without limit. Such borrowing may be secured by the assets of the Portfolio. In addition SPVs may accept co-investment partners or investors and so may not be wholly owned by the Portfolio. Risks associated with the use of SPVs may include weak or corrupt legal systems, inadequate or insufficient available legal service providers, changing and ambiguous tax and regulatory regimes, difficulty in enforcing legal claims, undue delays in legal process and poor data protection. In addition, due to OECD and FATF initiatives, there is increasing hostility to the usage of SPVs incorporated or established in certain jurisdictions.

Straddles. In straddle writing, where the investor writes both a put and a call on the same underlying interest at the same exercise price in exchange for a combined premium on the two writing transactions, the potential risk of loss is unlimited. To the extent the price of the underlying interest is either above or below the exercise price by more than the combined premium, the writer of a straddle will incur a loss when one of the options is exercised. If the writer is assigned an exercise on one option position in the straddle and fails to close out the other position, subsequent fluctuations in the price of the underlying interest could cause the other option to be exercised as well, causing a loss on both writing positions.

Swap agreements. Swap agreements can be individually negotiated and structured to include exposure to a variety of different types of investments or market factors. Depending on their structure, swap agreements may increase or decrease the exposure of the Portfolio to long-term or short-term interest rates, foreign currency values, mortgage securities, corporate borrowing rates, or other factors such as security prices, baskets of equity securities, or inflation rates. Swap agreements can take many different forms and are known by a variety of names. The Company is not limited to any particular form of swap agreement.

Swap agreements tend to shift the investment exposure of the Portfolio from one type of investment to another. For example, if the Portfolio agrees to exchange payments in US Dollars for payments in another currency, the swap agreement would tend to reduce the exposure of the Portfolio to US interest rates and increase its exposure to interest rates associated with the other currency.

Depending on how they are used, swap agreements may increase or decrease the overall volatility of the Portfolio. The most significant factor in the performance of swap agreements is the change in the specific interest rate, currency, individual equity values or other factors that determine the amounts of payments due to and from the Portfolio. If a counterparty's creditworthiness declines, the value of swap agreements with such counterparty can be expected to decline, potentially resulting in losses by the Portfolio.

Tax considerations. Where the Portfolio invests in securities that are not subject to withholding tax at the time of acquisition, there can be no assurance that tax may not be withheld in the future as a result of any change in applicable laws, treaties, rules or regulations or the interpretation thereof. The Portfolio may not be able to recover such withheld tax and so any such change could have an adverse effect on the Net Asset Value of the Portfolio. Where the Portfolio sells securities short that are subject to withholding tax at the time of sale, the price obtained will reflect the withholding tax liability of the purchaser. In the event that in the future such securities cease to be subject to withholding tax, the benefit thereof will accrue to the purchaser and not to the Portfolio.

Trading strategies. There can be no assurance that the specific trading strategies utilised for the Portfolio will produce profitable results. Profitable trading is often dependent on anticipating trends or trading patterns. Markets subject to random price fluctuations, rather than defined trends or patterns, may generate a series of losing trades. There have been periods in the past when the markets have been subject to limited and ill-defined price movements, and such periods may recur. Any factor which may lessen major price trends (such as governmental controls affecting the markets) may reduce the prospect for future trading profitability. Any factor which would make it difficult to execute trades, such as reduced liquidity or extreme market developments, could also be detrimental to profits. The best trading strategy, whether based on fundamental or technical analysis, will not be profitable if there are no trends of the kind it seeks to follow. No assurance can be given that the techniques and strategies of the Investment Manager will be profitable.

Transaction costs. The Portfolio is obligated to pay brokerage commissions and related transaction fees and costs, which can be substantial, regardless of whether its trading activities are profitable. The Portfolio must also pay its own fees and operating and administrative expenses. It will be necessary for the Portfolio to achieve gains in excess of these aggregate fees and costs in order for Shareholders to realise an increase in the Net Asset Value of their Participating Shares. There can be no assurance that the Portfolio will be able to achieve such, or any, appreciation of its assets.

Trend following. The Investment Manager may use computer pricing models to identify apparently overpriced or underpriced options in relationship to an assumed norm. In addition, models may be used which analyse price and other fluctuations over time in order to discern and predict trends. Trading based on such analyses is subject to the risks that prices will not increase or decrease as predicted by the analysis, or that trades dictated by the analysis may not be executed in time to take advantage of the price disparities. This latter risk is likely to materialise when numerous market makers use similar analyses, all of which dictate the desirability of executing identical or similar contracts. In the past, there have been periods without identifiable trends and, presumably, such periods will continue to occur. Trading models or analyses that depend upon the forecasting of trends will not be profitable if there are not identifiable trends of the kind that the models or analyses seek to follow. Any factor which would make it more difficult to execute trades in accordance with the models or analyses signals, such as a significant lessening of liquidity in a particular market, would also be detrimental to profitability.

Undervalued and overvalued securities. One of the objectives of the Company will be to identify and invest in undervalued and/or overvalued securities. The identification of investment opportunities in undervalued and overvalued securities is a difficult task, and there can be no assurance that such opportunities will be successfully recognised. While investment in undervalued and overvalued securities offer opportunities for above-average capital appreciation, these investments involve a high degree of financial risk and can result in substantial losses. The Investment Manager may make certain speculative investments in securities which it believes to be undervalued or overvalued. However, there can be no assurance that the securities purchased will in fact be undervalued or overvalued (as appropriate). In addition, the Company may be required to maintain positions in such securities for a substantial period of time before realising their anticipated value. During this period, a portion of the Portfolio's capital may be committed to the securities, thus possibly preventing the Company from investing in other opportunities. In addition, such purchases may be financed with borrowed funds and the Portfolio will have to pay interest on such funds during such waiting period.

Use of access products. Due to restriction on the direct ownership of shares listed on stock exchanges in certain countries, the Portfolio may obtain exposure to certain investments via access products. Access products are financial derivative instruments (such as notes, warrants, options or participation certificates) linked to particular shares, which aim to synthetically replicate the economic benefit of the relevant shares. An access product represents only an unsecured contractual obligation of the relevant issuer to provide the economic performance equivalent to holding the underlying shares (net of fees, charges and indirect costs). Accordingly, the Portfolio will be subject to the credit risk of the issuer of any access product it invests in and may suffer losses, potentially equal to the full value of the access product, if the relevant issuer fails to perform its obligations under the access product. An access product does not provide any beneficial or equitable entitlement or interest in the underlying shares to which the access product is linked. Nor does it entitle the Portfolio to make any claim against the company issuing the underlying shares.

The availability of a particular access product may be limited by applicable local regulations and requirements. As a result, the cost of investing in access products is subject to market supply and demand forces and is not based solely on the price of the underlying shares. Any access product will be subject to the terms and conditions imposed by its issuer. Access products typically have no active secondary market and so have limited liquidity. In order to liquidate investments, the Portfolio will rely upon the counterparty issuing the access product to quote a price to unwind any part of the access product. Accordingly the Investment Manager's ability to adjust positions may be restricted which may have an impact on the performance of the Portfolio.

Use of models. The investment strategies of the Portfolio are based on mathematical models, which are implemented as automated computer algorithms, that investment professionals at the Investment Manager have developed over time. The Investment Manager commits substantial resources to the updating and maintenance of existing models and algorithms as well as to the on-going development of new models and algorithms. The successful operation of the automated computer algorithms on which the investment strategies of the Portfolio are based is reliant upon the information technology systems of the Investment Manager and its ability to ensure those systems remain operational and that appropriate disaster recovery procedures are in place. Further, as market dynamics shift over time, a previously highly successful model may become outdated, perhaps without the Investment Manager recognising that fact before substantial losses are incurred. There can be no assurance that the Investment Manager will be successful in maintaining effective mathematical models and automated computer algorithms.

Use information technology. The Investment Manager depends on information technology systems in order to assess investment opportunities, strategies and markets and to monitor and control risks for the Portfolio. Information technology systems are also used to trade in the underlying investments of the Portfolio. A failure of some kind which causes disruptions to these information technology systems could materially limit the Investment Manager's ability to adequately assess and adjust the investments of the Portfolio, formulate strategies and provide adequate risk control, any of which could harm the performance of the Portfolio.

Valuation of illiquid investments. The Portfolio may hold a significant number of investments which are not actively traded or which may not be traded at all. Consequently, it may not be possible to obtain reliable prices or quotations of the investments for valuation purposes. In such cases, fair values will be determined by using valuation techniques (such as models) which will be validated and periodically reviewed by either the Investment Manager or by third parties. However, it may be necessary to make estimates and assumptions when valuing certain assets. Changes in circumstances or market conditions may lead to the revaluation of certain assets, which may result in a material increase or decrease in the Net Asset Value. Valuations may also differ substantially from the prices realised by the Portfolio at the time of sale or other disposition. This may be due to the fact that buyers have different information from that used to value such investments or due to the use of different methodologies or assumptions. Realised prices may also differ substantially from valuations where the Company is forced to dispose of investments rapidly, for instance, in connection with any redemption requests, adverse market developments or other factors. The Investment Manager may conclude that certain quotations for assets or liabilities of the Portfolio are not indicative of fair value by reason of illiquidity, for example of a particular investment or other factors. Situations involving uncertainties as to the valuation of assets or liabilities held by the Portfolio could have an adverse effect on the Net Asset Value if the Investment Manager’s judgement regarding appropriate valuations or choice of alternative valuation methods should prove incorrect.

The risk factors above and in the Memorandum do not purport to be a complete list of the risks associated with the Portfolio. Nor do they purport to be an entire explanation of the risks involved in an investment in the Portfolio. A potential investor should read the Memorandum and this Supplement in their entirety as well as consult with its own legal, tax and financial advisers before deciding to invest in the Portfolio.

Financial Information and Reports

Financial statements

The first audit of the Portfolio will be for the period beginning on the commencement of the operations of the Portfolio and ending on 31 December 2026 or such later date determined by the Directors, if the Portfolio is able to take advantage of an extended first audit period or audit exemption. The financial statements of the Portfolio will be presented in US Dollars and prepared in accordance with US GAAP, unless the Directors otherwise deem appropriate.

Reports to Shareholders

Each Shareholder will be provided with a copy of an annual report that will include audited financial statements of the Portfolio within six months of the end of each financial year of the Company. Shareholders will also be provided with a monthly report on the investment performance of the Portfolio.