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FORM ADV PART 2 A BROCHURE

This brochure provides information about the qualifications and business practices of Bladex Asset Management, Inc. If you have any questions about the contents of this brochure, please contact Luis M. Cifuentes at 212-813-3711 or lcifuentes@bladex.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Bladex Asset Management, Inc. is also available on the SEC's website at www.adviserinfo.sec.gov.

Bladex Asset Management, Inc. is a Registered Investment Adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

Material Changes

This is the firm's initial "Disclosure Brochure" with the SEC. Future Disclosure Brochure filings will address "material changes" since the date of this filing concerning Bladex Asset Management, Inc., which will either be delivered, or offered for delivery, to clients. A copy may also be downloaded from the Securities and Exchange Commission website, www.sec.gov.

Table of Contents

<i>Advisory Business</i>	<i>1</i>
<i>Fees and Compensation.....</i>	<i>2</i>
<i>Performance-Based Fees and Side-By-Side Management.....</i>	<i>3</i>
<i>Types of Clients</i>	<i>4</i>
<i>Methods of Analysis, Investment Strategies and Risk of Loss</i>	<i>5</i>
<i>Disciplinary Information</i>	<i>22</i>
<i>Other Financial Industry Activities and Affiliations.....</i>	<i>23</i>
<i>Code of Ethics, Participation or Interest in Client Transactions and Personal Trading</i>	<i>24</i>
<i>Brokerage Practices</i>	<i>25</i>
<i>Review of Accounts</i>	<i>27</i>
<i>Client Referrals and Other Compensation.....</i>	<i>28</i>
<i>Custody</i>	<i>29</i>
<i>Investment Discretion</i>	<i>30</i>
<i>Voting Client Securities</i>	<i>31</i>
<i>Financial Information</i>	<i>32</i>

Advisory Business

Form ADV Part 2A, Item 4

Description of Firm and Principal Owners

Bladex Asset Management, Inc. (“BAM”, the “Firm” or “Manager”) is an investment adviser specializing in the management of alternative investment strategies which follow a multi-strategy/multi-product approach, mainly focused on Latin America. BAM was incorporated under the laws of the State of Delaware, on May 24, 2006, and it is the year in which it commenced operations. BAM is also registered in Panama as a Foreign Company (“Sociedad Extranjera”), on September 8, 2009. BAM is a wholly owned subsidiary of Bladex Holdings Inc., which in turn is 100% owned by Banco Latinamericano de Comercio Exterior, S.A. (“Bladex”). Bladex is a supranational bank specialized in foreign trade in the Latin American Region, incorporated under the laws of the Republic of Panama, on January 19, 1978.

Description of Advisory Services

BAM manages on a discretionary basis privately offered off-shore hedge funds, investing primarily in a wide variety of securities and financial instruments mainly related to Latin America and to the Caribbean, as well as instruments from outside these regions. The funds are controlled by Bladex and are organized under the laws of the Cayman Islands.

Although BAM is currently managing affiliated private funds, it also holds itself out as an institutional investment manager offering its services in a separate account format in the United States and Europe. In its management of clients’ accounts, there are no limitations on the types of securities BAM may invest in or types of strategies that can be deployed. BAM may purchase or sell, on behalf of its clients securities instruments publicly traded or privately placed, that include common and preferred stocks, bonds and other debt securities, currencies, convertible securities, limited partnership interests, commodities, mutual fund shares, options, warrants, futures, over-the-counter and listed derivatives (including swaps, forward contracts and structured instruments), monetary instruments, cash and cash equivalents, private placements, trade finance instruments and other securities and instruments where BAM believes it can achieve the investment objectives of its clients.

Tailored Advisory Services

Our principle objective is to tailor our advisory services to the specific needs of our clients based on the investment objectives and guidelines established in offering memoranda of the private funds we manage.

BAM does not act as an advisor or sub-adviser in any wrap fee program or sponsor any wrap fee program.

Assets Under Management

As of December 31, 2011, BAM has \$125,100,000 in discretionary assets under management.

Fees and Compensation

Form ADV Part 2A, Item 5

Compensation

BAM provides this brochure to qualified purchasers as defined in section 2(a)(51)(A) of the Investment Company Act of 1940. The investors in the private funds we manage are primarily institutions and high net worth individuals who are assessed a management fee of 2% of assets under management and a 20% performance based fee.

Deduction of Fees

Advisory and performance based fees are generally deducted directly from the capital accounts of the funds managed by BAM. BAM receives monthly management fees in arrears, which represent a fixed percent of net asset value at the beginning of the month. In addition, BAM receives a Performance Allocation that represents a fixed percent of the “net fund profit” of each series (or class) of relevant fund shares applicable to each investor in the hedge fund as of the end period of each calendar year. The Performance Allocation is not applicable until the fund achieves a new high water mark.

Other Types of Fees and Expenses

Client accounts may also pay other investment related fees and expenses that BAM does not receive any benefit from, such as non-routine custodial charges, brokerage fees, commissions (includes mark up and mark downs of fixed income securities) and related costs, interest expenses, taxes, duties and other governmental charges, transfer and registration fees or similar expenses, costs associated with foreign exchange transactions, other portfolio expenses, and costs, expenses and fees associated with products or services that may be necessary or incidental to investments or accounts. Investments in mutual funds or alternative funds, such as other hedge funds, have their own operating costs that are charged to the investors in the products. As part of the operating expenses is another layer of management fees and potentially incentive fees (when investing in other hedge funds) that is charged by the manager of the investment vehicle. All investors in BAM managed hedge funds bear a pro-rata share of all expenses described.

Refund of Fees

There is no refunding of management fees to any private fund investor, as investor withdrawals from BAM managed funds may only occur at month end, prior to the calculation of the management fee and deduction for the following month.

Performance-Based Fees and Side-By-Side Management

Form ADV Part 2A, Item 6

Generally, BAM receives performance based fees that are charged to the underlying investors in BAM managed private funds. The charging of performance based fees generally creates a conflict of interest that BAM and its supervised personnel may face when managing client accounts side-by-side with accounts that either do not pay a performance fee or where the fees vary substantially. The conflict arises when an incentive is created to treat the higher paying client or account more favorably than a client or account that pays a lower fee in the form of more favorable investment recommendations and allocation of investment opportunities. The existence of a performance based fee also may create an incentive to invest in more speculative investments on behalf of the private fund(s) we manage than it would otherwise make in the absence of a performance based fee.

BAM has addressed this potential conflict of interest by adopting and implementing a compliance program that consists of policies and procedures to address potential conflicts of interest. Our Aggregation and Allocation Policies and Procedures are designed to address this potential conflict of interest by reasonably ensuring that all accounts with similar investment objectives receive a fair and equitable allocation of all eligible investment opportunities. BAM's policy is to aggregate client transactions where possible and when advantageous to clients. In these instances clients participating in any aggregated transactions will receive an average share price and transaction costs will be shared equally and on a pro-rata basis. Our Compliance Department frequently reviews firm trading activity as a means of administering BAM's compliance program. Senior management also frequently reviews of portfolios.

Types of Clients

Form ADV Part 2A, Item 7

Bladex Asset Management manages a multi-strategy/multi-product portfolio in privately offered pooled investment vehicles (hedge funds). The minimum initial private fund investment, as well as any terms and conditions, is described in the offering memorandum, which is provided to every investor prior to investing.

An investment in a private fund involves a high degree of risk and is suitable only to sophisticated investors, which requires the financial ability and willingness to enable them to sustain a total loss of their investment. There is no assurance that investment objectives will be achieved or that investors will receive a return of their capital.

Methods of Analysis, Investment Strategies and Risk of Loss

Form ADV Part 2A, Item 8

Method of Analysis

The Fund is managed using a top-down approach to investing, supplemented by continuous monitoring of the markets for opportunistic, short-term trading opportunities.

The exploitation of all these opportunities is executed via an investment process consisting of four components:

- Idea Generation
- Portfolio Construction & Sizing
- Execution
- Portfolio and Position Calibration

Idea Generation

For potential long term trades, research involves acquiring global and country-specific macroeconomic & political information, as well as security price/flow information. The Manager looks for fundamental data regarding factors which influence sovereign growth, inflation, FX reserves, and current account balances. Discovering inconsistencies between this data and the prices of traded instruments is an objective of this research, as is development of an understanding of why the inconsistencies exist and how they might be efficiently exploited.

Potential short term directional trades are further researched through analysis of breaking news, via technical information gleaned from contacts in the financial markets, and through examination of the results of proprietary short term trade analysis systems.

Instrument selection for execution of directional trades, as well as for the establishment of relative value trades, is supported by statistical analysis of relevant security valuation measures, and by examination of the relative valuations and fundamentals of different securities that carry substantially similar risks.

Credit research is carried out by the Manager with the support of Bladex's credit department, subject to applicable law and Bladex's internal policies and procedures. In connection with the foregoing activity, Bladex may from time to time come into possession of information that may limit the ability of the Manager to make an investment, and the Fund's investment ability may be constrained as a consequence of the Manager's inability to use such information for advisory purposes. *(See Section Below, "Risk Factors and Potential Conflicts of Interest")*

The Manager's network of contacts for the purpose of acquiring information about conditions and opportunities in the Latin American markets is enhanced by the presence of Bladex Representative Offices located throughout the region. Such access to Bladex's institutional presence shall be subject to applicable law and Bladex's internal policies and procedures.

Portfolio Construction & Sizing

Trade ideas are generated by the Manager through the synthesis of research, price levels, and

knowledge of the technical position of the market. Trades, each one of them being a well defined investment theme, are the components of the Fund's portfolio. A trade may consist of only one position or it can also consist of several line items of long and short positions. Trades are sized based on their net contribution to the overall expected volatility of the fund, the amount of capital they will consume, liquidity considerations, and the attractiveness of their expected return versus alternative trade opportunities.

The Manager will also seek to mitigate portfolio losses by constructing trades which hedge unwanted systemic risks when possible, focusing the potential volatility of the fund on risk factors which the Manager expects will be a source of good risk adjusted returns.

Execution

The instruments comprising long term directional trades will mainly be interest rate swaps, FX forwards, sovereign bonds, sovereign credit default swaps, equities, and derivatives of these instruments. The counterparty exposure for most derivative transactions is expected to be against the large, international broker/dealers. The Fund will seek to execute Master International Swaps and Derivatives Association agreements, Master Repurchase Agreements, and Global Master Repurchase Agreements with these dealers to facilitate trading.

Due to the many years of sell-side experience of the Manager's members, the Fund expects to have good contacts with the street's trading, research, and capital markets areas, as well as with members of various local market financial institutions. The Manager intends to exploit this experience and these contacts to acquire information regarding the technical position of the market and to achieve efficient trade executions.

The Manager's execution strategy includes the option to aggressively increase the relative size of the cash component of the Fund when deemed necessary to reduce volatility in the portfolio or to avoid large draw downs.

Portfolio and Position Calibration

The Manager continuously reviews the data and rationale behind each trade. This information comes from the research component of the investment process. Whenever material new information is discovered the trade will be reviewed, perhaps resulting in its elimination, resizing, or restructuring.

Specific risk management guidelines including constraints regarding volatility, capital usage, portfolio concentration, and other factors have been established by the Directors. These guidelines are enforced by the Manager's Risk Manager, and compliance with them is independently reported to the Directors. These guidelines have been and will continue to be reviewed and modified as deemed necessary or desirable by the Directors.

The Directors, in consultation with the Manager, reserve the right to alter any Fund investment policy or strategy as deemed appropriate from time to time in their discretion without obtaining Shareholder approval.

Investment Strategies

The economies of many industrialized and emerging market nations, including those in Latin American and the Caribbean, are in the midst of complex transition processes. Some countries are

striving to become more market oriented, while others are attempting to implement an increased economic role for their respective governments. One of the frequently recurring byproducts of these interconnected, dynamic economic development processes is a diverse set of trading and investment opportunities. The Fund's investment objective is to exploit these opportunities to achieve above average long-term rates of return, while also attempting to preserve capital and mitigate risk. The Fund also seeks to produce returns which, over the long-term, have low correlation to the returns of the major U.S. equity and investment grade fixed income indices. No assurance can be given, however, that the Fund will achieve its objectives, and investment results may vary substantially from period to period.

The Fund follows a multi-strategy / multi-product approach, striving to build a portfolio of integrated long and short positions which the Manager expects will provide attractive risk adjusted returns. The strategies comprising the portfolio will include:

- Long term directional strategies exploiting:
 - Mispriced macroeconomic & political trends;
 - Policy inconsistencies of local financial authorities;
 - Market dislocations caused by shocks to emerging markets ("EM"), or other financial markets, either from external or internal sources, resulting in conditions of "overshooting"; and
 - Credit improvement or deterioration.
- Short term directional strategies which exploit technical pressures and short term market dynamics.
- Relative value strategies, based on expectations of:
 - Mean reversion;
 - Convergence; and
 - Credit arbitrage.
- Special situations outside of those described above, which may be taken advantage of on an opportunistic basis. Newly distressed sovereign/corporate credits could fall into this category, as could new EM products (e.g. local mortgage securities and local currency receivables), and other financial instruments. The Fund expects to limit the amount of capital which can be allocated to this strategy category, and may frequently hold no positions of this type at all.

The products traded by the Fund can include a wide variety of securities and financial instruments mainly related to Latin America and to the Caribbean, as well as instruments from outside these regions. These instruments may be publicly traded or privately placed, including but not limited to common and preferred stocks, bonds and other debt securities, currencies, convertible securities, limited partnership interests, commodities, mutual fund shares, options, warrants, futures, over-the-counter and listed derivatives (including swaps, forward contracts and structured instruments), monetary instruments, cash and cash equivalents, private placements, trade finance instruments and other securities and instruments.

The Fund's investment positions can be long, short, or significantly in cash depending upon the Manager's views regarding asset valuations and investment conditions.

Investing in securities involves certain risks including risk of loss that clients should be prepared to

bear. We believe by accepting only investors who can meet the “*Qualified Client*” standards under Rule 205-3 of the Investment Advisers Act of 1940, is one way of addressing the risk of BAM potentially putting a client’s capital at risk of loss that may not be able to withstand an investment loss.

Risk of Loss

Prospective investors should carefully consider the following factors relating to investment risks and potential conflicts of interest. An investment in the Fund involves significant risks not associated with other investment vehicles and is suitable only for persons of adequate financial means who have no need for liquidity in this investment. As a result of these factors, as well as other risks inherent in any investment, an investment in the Fund is not appropriate for all investors and there can be no assurance that the Fund will meet its investment objectives or otherwise be able to successfully carry out its investment program. There can be no assurances or guarantees that (i) the Fund’s investment strategy will prove successful, or (ii) investors will not lose all or a portion of their investment in the Fund.

The following risks do not purport to be a complete explanation of all the risks involved in acquiring Shares in the Fund. Potential subscribers should read this entire document as well as the Articles and consult with their own advisors before making a determination whether to subscribe for Shares in the Fund.

Risk Factors And Potential Conflicts Of Interest

Limited Operating History of the Fund. The Fund has a limited operating history upon which prospective Shareholders can evaluate the likely performance of the Fund. The past investment performance of the Manager or any other funds managed by the Manager (the “Bladex Funds”) should not be construed as an indication of the future results of the Fund.

Dependence on Key Personnel. The Fund’s investment activities depend upon the experience and expertise of the Manager, the Directors, key members of the Manager’s personnel, and on the skill and acumen of Mr. Manuel Mejía-Aoun, who serves as the Chief Investment Officer of the Manager. The loss of the services of any of these individuals could have a material adverse effect on the Fund’s operations.

No Participation in Management. Except as provided in the Investment Management Agreement, the management of the Fund’s operations is vested solely in the Directors. The Shareholders will have no right to participate in the management of the Fund, and will have no opportunity to select or evaluate any of the Fund’s investments or strategies. In connection with the management of the Fund’s business, each of the Directors and the Manager will devote only such time to the Fund matters as it, in its sole discretion, deems appropriate. Accordingly, the Shareholders should not invest in the Fund unless the Shareholders are willing to entrust all aspects of the management of the Fund and its investments to the discretion of the Directors and the Manager.

Illiquidity of Shares. An investment in the Fund involves substantial restrictions on liquidity and its Shares are not freely transferable. Shares in the Fund are not transferable without the approval of the Directors, and there will be no secondary market for Shares. Consequently, Shareholders may not be able to dispose of their Shares except by means of the redemption privilege in accordance with the Articles, and may receive securities rather than cash in exchange for their Shares. Shareholders may

be unable to liquidate their investment promptly in the event of an emergency or for any other reason.

The Manager's investment program contemplates that a portion of the Fund's assets may be invested in illiquid investments, including securities, obligations, and other instruments and assets for which no market exists and/or which are restricted as to their transferability under federal or state securities laws. Because of the absence of any trading market for these investments, the Fund may take longer to liquidate these positions than would be the case for publicly traded investments. Although these investments may be resold in privately negotiated transactions, the prices realized on these sales could be less than those originally paid by the Fund. Further, companies whose securities are not publicly traded may not be subject to public disclosure and other investor protection requirements applicable to publicly traded securities.

Lack of Registration. The Shares have neither been registered under the Securities Act nor under the securities or "blue sky" laws of any state and, therefore, are subject to transfer restrictions. In connection with the Shareholder's purchase of a Share, the Shareholder must represent that the Shareholder is purchasing the Share for investment purposes only and not with a view toward resale or distribution. Neither the Fund nor the Directors have any plans or assumed any obligation to register the Shares. Accordingly, the Shares may not be transferred without documentation acceptable to the Directors, which may include an opinion of counsel to the Fund that the transfer will not involve a violation of the registration requirements of the Securities Act or require registration by either the Master Fund or the Company under the Investment Company Act. These restrictions on transfer are in addition to those found in the Articles. Ordinarily, this means that transfers may be restricted to instances of death, gift or passage by operation of law.

Discretion of the Manager. The Manager engages in the investment activities that have been discussed above. Nonetheless, the Fund's portfolio may be altered at any time in the sole discretion of the Manager and without the approval of any Shareholders. The Investment Management Agreement gives the Manager broad discretionary power to decide what investments the Fund will make and what strategies it will use.

Concentration of Investments. The Manager's investment program contemplates an investment portfolio which, in light of investment considerations, market risks and other factors, it believes will provide the best opportunity for attractive risk-adjusted returns in the value of the Fund's assets. The Articles do not formally limit the amount of the Fund's assets that may be invested in a single company, security, country, industry, sector or asset class, and the Manager is not required to subject the portfolio to any formal policies regarding diversification, except as may be required from time to time by the Fund's Directors. The Manager may from time to time hold a few, relatively large securities positions in relation to the Fund's capital. The concentration of the Fund's portfolio in any manner described above would subject the Fund to a greater degree of risk with respect to the failure of one or a few investments, or with respect to economic downturns in relation to an individual industry or sector. The result of such concentration of investments is that a loss in any such position could materially reduce the Fund's capital.

Differential Returns between the Master Fund and the Company. Because of structural, legal regulatory or other reasons, Shareholders subscribing to different entities comprising the Fund may receive unequal returns and profits.

Different Performance Results from the Bladex Funds' Portfolios. Trades normally will be allocated among the Fund and any other Bladex Funds in the manner described under "*Potential Conflicts of Interest: Allocation of Trading Opportunities by the Manager*" below. In the case of other Bladex

Funds with identical or substantially similar investment strategies that generally are expected to trade either in parallel or on a combined basis through the Master Fund, differences between the portfolios might arise for various reasons including: (i) certain transactions may be unavailable to U.S. or non-U.S. investors, (ii) timing of subscriptions or redemptions among the portfolios, (iii) differing margin computations, (iv) differing income tax profiles of the Fund and other Bladex Funds, (v) Fund investments in restricted “new issues” unavailable to some of its investors, (vi) differences in the use of leverage between the Fund and other Bladex Funds and (vii) changes in the Manager’s long or short overall or individual risk position limits with respect to the Fund and other Bladex Funds.

Distributions. Since the Fund will not ordinarily make distributions to the Shareholders, all earnings of the Fund are expected to be retained for reinvestment. Cash that might otherwise be available for distribution will also be reduced by payment of Fund obligations, payment of Fund expenses (including fees payable and expense reimbursements to the Directors and the Manager) and establishment of appropriate reserves. Accordingly, investments in the Fund are not suitable for investors seeking current income.

Redemption of Shares. Shareholders’ right to redeem their Share is restricted. Shareholders must provide 30 days written notice before redeeming Shares and may only redeem monthly.

Possible Effect of Substantial Redemptions. Substantial redemption of Shares could require the Fund to liquidate its positions more rapidly than otherwise desired in order to raise the cash necessary to fund the redemptions. Illiquidity in certain securities could make it difficult for the Fund to liquidate positions on favorable terms, which could result in losses or a decrease in the Net Asset Value of the Fund. The Fund is permitted to borrow cash necessary to make payments in connection with redemption of Shares when the Manager determines that it would not be advisable to liquidate portfolio assets for that purpose. Subject to certain limitations, the Fund is also authorized to pledge portfolio assets as collateral security for the repayment of such loans. In these circumstances, the continuing Shareholders of the Fund will bear the risk of any subsequent decline in the value of the Fund’s assets.

Operating Deficits. The expenses of operating the Fund (including Management Fees) may exceed its income, thereby requiring that the difference be paid out of the Fund’s capital, reducing the Fund’s investments and potential for profitability.

Investment Expenses. The investment expenses (e.g., expenses related to the investment and custody of the Fund’s assets, such as brokerage commissions, custodial fees and other trading and investment charges and fees) as well as other Fund fees may, in the aggregate, constitute a high percentage relative to other investment entities. The Fund will bear these costs regardless of its profitability.

Supervision of Trading Operations. The Manager, with assistance from its brokerage and clearing firms, intends to supervise and monitor trading activity in the Fund’s account to ensure compliance with the Fund’s objectives. Despite the Manager’s efforts, however, there is a risk that unauthorized or otherwise inappropriate trading activity may occur in the Fund account.

Limitation of Liability and Indemnification of the Directors, the Manager and Affiliates. The Articles provide that the Directors (and in certain cases its members, managers, officers, employees, agents and affiliates) shall be indemnified against, and shall not be liable for, any loss or liability incurred in connection with the affairs of the Fund, so long as such loss or liability arose from acts performed in good faith and not found by a final, non-appealable court of competent jurisdiction to constitute gross negligence, fraud or willful misconduct. The Investment Management Agreement also provides similar protections to the Manager. Therefore, a Shareholder may have a more limited right of action

against the Directors and the Manager (and certain of their respective affiliates) than a Shareholder would have had absent these provisions in the Articles and the Investment Management Agreement. It is the policy of the United States Securities and Exchange Commission that indemnification for violations of securities laws is against public policy and therefore unenforceable.

No Minimum Size of Company. The Fund may continue operations without attaining any particular level of capitalization. At low asset levels, the Fund may be unable to make its 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 securities brokers. It is possible that even if the Fund operates for a period with substantial capital, investors' redemptions could diminish the Fund's assets to a level that does not permit the most efficient and effective implementation of the Fund's investment program. As a result of losses or redemptions, the Fund may not have sufficient capital to diversify its investments to the extent desired or currently contemplated by the Manager.

Liability of a Shareholder for the Return of Capital Contributions. If the Fund should become insolvent, the Shareholders may be required to return any property distributed to them at the time the Fund was insolvent, and forfeit their Shares. Shareholders may also be required to return distributions to fund indemnity obligations of the Fund.

Lack of Insurance. The assets of the Fund are not insured by any government or private insurer except to the extent portions may be deposited in bank accounts insured by the United States Federal Deposit Insurance Corporation or with brokers insured by the United States Securities Investor Protection Corporation and such deposits and securities are subject to such insurance coverage (which, in any event, is limited in amount). Therefore, in the event of the insolvency of a depository or custodian, the Fund may be unable to recover all of its funds or the value of its securities so deposited.

Contagion Risk Factor. Each of the Master Fund and the Company has the power to issue Shares in classes or series. The Articles provide for the manner in which the liabilities are to be attributed across the various classes or series (liabilities are to be attributed to the specific class or series in respect of which the liability was incurred). However, each of the Master Fund and the Company is a single legal entity. Shareholders of one or more classes or series of Shares may be compelled to bear the liabilities incurred in respect of other classes or series which such Shareholders do not themselves own if there are insufficient assets in that other class or series to satisfy those liabilities. Accordingly, there is a risk that liabilities of one class or series may not be limited to that particular class or series and may be required to be paid out of one or more other classes or series.

Market Risk Factors

Market Volatility. The profitability of the Fund substantially depends upon the Manager correctly assessing the future price movements of stocks, bonds, options on stocks, and other securities and the movements of interest rates. The Fund cannot guarantee that the Manager will be successful in accurately predicting price and interest rate movements.

Overall Investment Risk. All securities investments risk the loss of capital. The nature of the securities to be purchased and traded by the Fund and the investment techniques and strategies to be employed in an effort to increase profits may increase this risk. While the Manager will devote its best efforts to the management of the Fund's portfolio, there can be no assurance that the Fund will not incur losses. Many unforeseeable events, including actions by various government agencies, such as the Federal Reserve Board, and domestic and international political events, may cause sharp market fluctuations.

Company's Investment Activities. The Fund's investment activities involve a significant degree of

risk. The performance of any investment is subject to numerous factors which are neither within the control of nor predictable by the Manager. Such factors include a wide range of economic, political, competitive and other conditions (including acts of terrorism and war) that may affect investments in general or specific industries or companies. The securities markets may be volatile, which may adversely affect the ability of the Fund to realize profits. As a result of the nature of the Fund's investing activities, it is possible that the Fund's financial performance may fluctuate substantially from period to period.

Accuracy of Public Information. The Manager selects investments for the Fund, in part, on the basis of information and data filed by issuers with various government regulators or made directly available to the Manager by the issuers or through sources other than the issuers. Although the Manager evaluates all such information and data and sometimes seeks independent corroboration when the Manager considers it is appropriate and when it is reasonably available, the Manager is not in a position to confirm the completeness, genuineness or accuracy of such information and data, and in some cases, complete and accurate information is not available. Investments may not perform as expected if information is inaccurate.

Investments in Securities and Other Assets Believed to be Undervalued. The Manager's investment program contemplates that a substantial portion of the Fund portfolio will be invested in securities and other assets that the Manager believes to be undervalued. The identification of such investment opportunities is a difficult task, and there are no assurances that such opportunities will be successfully recognized or acquired. While such investments offer the opportunities for above-average capital appreciation, they also involve a high degree of financial risk and can result in substantial losses. Returns generated from the Fund's investments may not adequately compensate for the business and financial risks assumed. Such investments can sometimes include bonds and other fixed income securities, including, without limitation, commercial paper and "higher yielding" (and, therefore, higher risk) debt securities. It is likely that a major economic recession could severely disrupt the market for such investments and severely impact on their value. In addition, it is likely that any such economic downturn could adversely affect the ability of the issuers of such obligations to repay principal and pay interest thereon and increase the incidence of default for such securities. Additionally, there can be no assurance that other investors will ever come to realize the value of some of these investments, and that they will ever increase in price. Furthermore, the Fund may be forced to hold such investments for a substantial period of time before realizing their anticipated value. During this period, a portion of the Fund's capital would be committed to the investments made, thus possibly preventing the Fund from investing in other opportunities.

Investments in Small Capitalization and Unseasoned Companies. The Manager's investment program contemplates that a portion of the Fund's portfolio may be invested in small and/or unseasoned companies with small market capitalization. While these companies generally have potential for rapid growth, they often involve higher risks because they may lack the management experience, financial resources, product diversification and/or competitive strength of larger and/or more established companies. In addition, in many instances, the frequency and volume of their trading may be substantially less than is typical of larger companies. As a result, the securities of smaller companies may be subject to wider price fluctuations. When making large sales, the Fund may have to sell portfolio holdings at discounts from quoted prices or may have to make a series of small sales over an extended period of time due to the lower trading volume of smaller company securities.

Volatility of Currency Prices. The profitability of the Fund's portfolio depends, in part, upon the Manager correctly assessing the future price movements of currencies. However, price movements of

currencies are difficult to predict accurately because they are influenced by, among other things, changing supply and demand relationships; governmental, trade, fiscal, monetary and exchange control programs and policies; national and international political and economic events; and changes in interest rates. Governments from time to time intervene in certain markets in order to influence prices directly. The Fund cannot guarantee that the Manager will be successful in accurately predicting currency price and interest rate movements.

Leverage; Interest Rates. When deemed appropriate by the Manager and subject to applicable regulations, the Fund may incur leverage in its investment program, whether directly through the use of borrowed funds, or indirectly through investment in certain types of financial instruments with inherent leverage, such as puts, calls and warrants, which may be purchased for a fraction of the price of the underlying securities while giving the purchaser the full benefit of movement in the market of those underlying securities. While such strategies and techniques increase the opportunity to achieve higher returns on the amounts invested, they also increase the risk of loss. To the extent the Fund purchases securities with borrowed funds, its net assets will tend to increase or decrease at a greater rate than if borrowed funds are not used. In addition, the level of interest rates generally, and the rates at which such funds may be borrowed in particular, is an expense of the Fund, and therefore could affect the operating results of the Fund. If the interest expense on this leverage were to exceed the net return on the investments made with borrowed funds, the Fund's use of leverage would result in a lower rate of return than if the Fund were not leveraged. If the amount of leverage which the Fund may have outstanding at any one time is large in relation to its capital, fluctuations in the market value of the Fund's portfolio will have disproportionately large effects in relation to the Fund's capital and the possibilities for profit and the risk of loss will therefore be increased. Any investment gains made with the additional leverage will generally cause the Net Asset Value of the Fund to rise more rapidly than would otherwise be the case. Conversely, if the investment performance of the leveraged capital fails to cover their cost to the Fund, the Net Asset Value of the Fund will generally decline faster than would otherwise be the case. Overall, the use of leverage, while providing the opportunity for a higher return on investments, also increases the volatility of such investments and the risk of loss. Investors should be aware that an investment program utilizing leverage is inherently more speculative, with a greater potential for losses, than a program that does not utilize leverage.

Short Sales. Short sales by the Fund that are not made "against the box" create opportunities to increase the Fund's return but, at the same time, involve special risk considerations and may be considered a speculative technique. Since the Fund, in effect, profits from a decline in the price of the securities sold short without the need to invest the full purchase price of the securities on the date of the short sale, the value of Shares tend to increase more when the securities it has sold short decrease in value, and to decrease more when the securities it has sold short increase in value, than otherwise would be the case if it had not engaged in such short sales. Short sales theoretically involve unlimited loss potential, as the market price of securities sold short may increase continuously, although the Fund may mitigate such losses by replacing the securities sold short before the market price has increased significantly. Under adverse market conditions the Fund may have difficulty purchasing securities to meet its short sale delivery obligations, and may sell portfolio securities to raise the capital necessary to meet its short sale obligations at a time when fundamental investment considerations does not favor such sales. Short sales may be used with the intent of hedging against the risk of declines in the market value of the Fund's long portfolio, but there is no assurance that such hedging operations will be successful.

Derivative Instruments. The Manager may use various derivative instruments, including futures, options, forward contracts, buying and writing puts and calls, swaps and other derivatives which may

be volatile and speculative. Certain positions may be subject to wide and sudden fluctuations in market value, with a resulting fluctuation in the amount of profits and losses. Use of derivative instruments presents various risks, including but not limited to the following:

- *Tracking* – When used for hedging purposes, an imperfect or variable degree of correlation between price movements of the derivative instrument and the underlying investment sought to be hedged may prevent the Manager from achieving the intended hedging effect or expose the Fund to the risk of loss.
- *Liquidity* – Derivative instruments, especially when traded in large amounts, may not be liquid in all circumstances, so that in volatile markets the Manager may not be able to close out a position without incurring a loss. In addition, daily limits on price fluctuations and speculative positions limits on exchanges on which the Manager may conduct its transactions in certain derivative instruments may prevent prompt liquidation of positions, subjecting the Fund to the potential of greater losses.
- *Leverage* – Trading in derivative instruments can result in large amounts of leverage. Thus, the leverage offered by trading in derivative instruments may magnify the gains and losses experienced by the Fund and could cause the Fund's Net Asset Value to be subject to wider fluctuations than would be the case if the Manager did not use the leverage feature in derivative instruments.
- *Over-the-Counter-Trading* – Derivative instruments that may be purchased or sold by the Manager may include instruments not traded on an exchange. Over-the-Counter options, unlike exchanged-traded options, are two-party contracts with price and other terms negotiated by the buyer and seller. The risk of nonperformance by the obligor on such an instrument may be greater and the ease with which the Manager can dispose of or enter into closing transactions with respect to such an instrument may be less than in the case of an exchange-traded instrument. In addition, significant disparities may exist between "bid" and "asked" prices for derivative instruments that are not traded on an exchange. Derivative instruments not traded on exchanges are also not subject to the same type of government regulation as exchange traded instruments, and many of the protections afforded to participants in a regulated environment may not be available in connection with such transactions.
- *Put and Call Options.* Puts and call options typically have similar structural characteristics and operational mechanics regardless of the underlying instrument or asset on which they are purchased or sold. A put option gives the purchaser of the option, upon payment of a premium, the right to sell, and the writer the obligation to buy, the underlying security, commodity, index, currency or other instrument or asset at the exercise price. A call option, upon payment of a premium, gives the purchaser of the option the right to buy, and the seller the obligation to sell, the underlying instrument at the exercise price.
 - If a put or call option purchased by the Fund were permitted to expire without being sold or exercised, the Fund would lose the entire premium it paid for the option. The risk involved in writing a put option is that there could be a decrease in the market value of the underlying instrument or asset caused by rising interest rates or other factors. If this occurred, the option could be exercised and the underlying instrument or asset would then

be sold to the Fund at a higher price than its current market value. The risk involved in writing a call option is that there could be an increase in the market value of the underlying instrument or asset caused by declining interest rates or other factors. If this occurred, the option could be exercised and the underlying instrument or asset would then be sold by the Fund at a lower price than its current market value.

- Purchasing and writing put and call options and, in particular, writing “uncovered” options are highly specialized activities and entail greater than ordinary investment risks. In particular, the writer of an uncovered call option assumes the risk of a theoretically unlimited increase in the market price of the underlying instrument or asset above the exercise price of the option. This risk is enhanced if the instrument or asset being sold short is highly volatile and there is a significant outstanding short interest. These conditions exist in the stocks of many companies. The instrument or asset necessary to satisfy the exercise of the call option may be unavailable for purchase except at much higher prices. Purchasing instruments or assets to satisfy the exercise of the call option can itself cause the price of the instruments or assets to rise further, sometimes by a significant amount, thereby exacerbating the loss. Accordingly, the sale of an uncovered call option could result in a loss by the Fund of all or a substantial portion of its assets.
- *Swaps.* Swaps and certain options and other custom instruments are subject to the risk of non-performance by the counterparty, including risks relating to the financial soundness and creditworthiness of the counterparty.

Hedging Transactions. The Fund may utilize financial instruments such as forward contracts, options, commodities and interest rate swaps, caps and floors to seek to hedge against various market fluctuations, such as those in the relative values of its portfolio positions as a result of changes in currency exchange rates, certain changes in the equity markets and changes in interest rates. Hedging against a decline in the value of portfolio positions does not eliminate fluctuations in the values of portfolio positions or prevent losses if the values of such positions decline, but establishes other positions designed to gain from those same developments, thus moderating the decline in the portfolio positions’ value. Such hedging transactions also limit the opportunity for gain if the value of the portfolio positions should increase. Moreover, it may not be possible for the Fund to hedge against a fluctuation at a price sufficient to protect the Fund’s assets from the decline in value of the portfolio positions anticipated as a result of such fluctuations. For example, the cost of options is related, in part, to the degree of volatility of the underlying instruments or assets. Accordingly, options on highly volatile instruments or assets may be more expensive than options on other instruments or assets and of limited utility in hedging against fluctuations in their prices. The Manager is not obligated to establish hedges for portfolio positions and may not do so. To the extent that hedging transactions are effected, their success is dependent on the Manager’s ability to correctly predict movements in the direction of currency and interest rates and the equity markets or sectors thereof.

Market or Interest Rate Risk. The Fund may invest, from time to time, in fixed income securities and instruments. The price of most fixed income securities move in the opposite direction of the change in interest rates. For example, as interest rates rise, the prices of fixed income securities fall. If the Fund holds a fixed income security to maturity, the change in its price before maturity may have little impact on the Fund’s performance. However, if the Fund has to sell the fixed income security before

the maturity date, an increase in interest rates could result in a loss to the Fund.

Call Option Risk. Many bonds, including agency, corporate and municipal bonds, and mortgage backed securities, contain a provision that allows the issuer to “call” all or part of the issue before the bond’s maturity date. The issuer usually retains this right to refinance the bond in the future if market interest rates decline below the coupon rate. There are three disadvantages to the call provision. First, the cash flow pattern of a callable bond is not known with certainty. Second, because the issuer will call the bonds when interest rates have dropped, the Fund is exposed to reinvestment rate risk – the Fund will have to reinvest the proceeds received when the bond is called at lower interest rates. Finally, the capital appreciation potential of a bond will be reduced because the price of a callable bond may not rise much above the price at which the issuer may call the bond.

Maturity Risk. In certain situations, the Fund may purchase a bond of a given maturity as an alternative to another bond of a different maturity. Ordinarily, under these circumstances, the Fund will make an adjustment to account for the interest rate risk differential in the two bonds. This adjustment, however, makes an assumption about how the interest rates at different maturities will move. To the extent that the yield movements deviate from this assumption, there is a yield-curve or maturity risk. Another situation where yield-curve risk should be considered is in the analysis of bond swap transactions where the potential incremental returns are dependent entirely on the parallel shift assumption for the yield curve.

Inflation Risk. Inflation risk results from the variation in the value of cash flows from a fixed income instrument due to inflation, as measured in terms of purchasing power. For example, if the Fund purchases a 5-year bond in which it can realize a coupon rate of 5%, but the rate of inflation is 6%, then the purchasing power of the cash flow has declined.

Corporate Debt Obligations. The Fund may invest in corporate debt obligations, including commercial paper. Corporate debt obligations are subject to the risk of an issuer’s inability to meet principal and interest payments on the obligations (credit risk). From time to time, the Manager may intend to expose the Fund to credit risk. However, there can be no guarantee that the Manager will be successful in making the right selections and thus fully mitigate the impact of credit risk changes on the Fund.

Foreign Securities. The Fund may invest and trade in securities and other instruments of foreign corporations and foreign countries. Investing in the securities of companies and governments in foreign countries involves certain risks not usually associated with investing in securities of United States companies or the United States Government, including, among other things, political, social and economic considerations abroad, as well as risks resulting from the differences between the regulations to which U.S. and non-U.S. issuers and markets are subject. Such risks include:

- Greater risks of expropriation, nationalization and general social, political and economic instability, acts of war or terrorism, withholding taxes on dividends and interest, high or confiscatory tax levels, and limitations on the use or transfer of portfolio assets.
- The small size of the securities markets in such countries and the low volume of trading, resulting in potential lack of liquidity and in price volatility.
- Enforcing legal rights in some non-U.S. countries is difficult, costly and slow, and there are

sometimes special problems enforcing claims against non-U.S. governments.

- Fluctuations in the rate of exchange between currencies and costs associated with currency conversion, and certain government policies that may restrict the Fund's investment opportunities. Non-U.S. securities and other assets often trade in currencies other than the U.S. dollar, and the Fund may directly hold non-U.S. currencies and purchase and sell non-U.S. currencies through forward exchange contracts. Changes in currency exchange rates will affect the Fund's Net Asset Value, the value of dividends and interest earned, and gains and losses realized on the sale of investments. An increase in the strength of the U.S. dollar relative to these other currencies may cause the value of the Fund's investments to decline. Some non-U.S. currencies are particularly volatile. Non-U.S. governments may intervene in the currency markets, causing a decline in value or liquidity of the Fund's non-U.S. currency holdings. If the Fund enters into forward non-U.S. currency exchange contracts for hedging purposes, it may lose the benefits of advantageous changes in exchange rates. On the other hand, if the Fund enters forward contracts for the purpose of increasing return, it may sustain losses.
- Non-U.S. securities, commodities and other markets may be less liquid, more volatile and less closely supervised by the government than in the United States.
- Non-U.S. countries often lack uniform accounting, auditing and financial reporting standards, or have reporting standards that may not be equivalent to United States standards, and consequently there may be less public information available to investors in companies located in foreign countries than is available to investors in companies located in the United States.

Risk of Default or Bankruptcy of Third Parties. The Fund may engage in transactions in securities, commodities, other financial instruments and other assets that involve counterparties. Under certain conditions, the Fund could suffer losses if a counterparty to a transaction were to default or if the market for certain securities, commodities, other financial instruments and/or other assets were to become illiquid. In addition, the Fund could suffer losses if there were a default or bankruptcy by certain other third parties, including brokerage firms and banks with which the Fund does business, or to which securities, commodities, other financial instruments and/or other assets have been entrusted for custodial purposes. For example, if the Fund's prime broker and custodian were to become insolvent or file for bankruptcy, the Fund could suffer significant losses with respect to any securities held by such firm.

Prime Broker Credit Risk. The Prime Broker Agreement and other agreements in connection therewith permit the Prime Broker or its affiliate to sell, hypothecate or otherwise use the margin securities and other assets pledged as collateral of the Master Fund. In the event of the insolvency of the Prime Broker or its affiliate or a default by the Prime Broker or its affiliate with a third party, or otherwise, such assets may not be available to the Master Fund, and the claim of the Master Fund for the return of such assets would not be prior to the claims of general unsecured creditors of the Prime Broker or its affiliate.

Regulatory Risk Factors

Strategy Restrictions. Certain institutions may be restricted from directly utilizing investment strategies of the type in which the Fund may engage. Such institutions, including entities subject to the

U.S. Employee Retirement Income Security Act of 1974, as amended (“ERISA”), should consult their own advisors, counsel and accountants to determine what restrictions may apply and whether an investment in the Fund is appropriate.

Trading Limitations. For all securities, instruments and/or assets listed on an exchange, including options listed on a public exchange, the exchange generally has the right to suspend or limit trading under certain circumstances. Such suspensions or limits could render certain strategies difficult to complete or continue and subject the Fund to loss. Also, such a suspension could render it impossible for the Manager to liquidate positions and thereby expose the Fund to potential losses relating thereto.

No Regulatory Oversight by SEC or CFTC. The Fund’s investments are not supervised or monitored by any regulatory authority. Neither the Company nor the Master Fund is registered in the U.S. as an “investment company” under the Investment Company Act, or under any state laws. The Manager is not registered as a commodity pool operator, pursuant to an exemption provided under Rule 4.13(a)(4) of the CEA. Consequently, Shareholders will not benefit from some of the protections afforded by these statutes, including SEC or U.S. Commodity Futures Trading Commission (“CFTC”) oversight. Accordingly, neither the SEC nor any federal or state regulatory authority monitors or oversees the Fund’s investment activities.

Banking Laws and Regulations. The Fund may be subject to the provisions of the U.S. banking laws and regulations and various other laws and regulations applicable to banks and bank holding companies generally. Such laws and regulations, among other things, impose restrictions on the types and amounts of investments that the Fund may make and on the types of activities in which the Fund may engage. Further, in order to comply with such laws and regulations, the Fund may be required to invest in a manner that would be less advantageous than if the Fund was not subject to such laws and regulations. In addition, the Fund may reduce its ownership, alter the terms, or dispose, of an investment if the Fund determines that such investment presents a conflict for or impairs the ability of Bladex or any one of its affiliates to conduct its business in compliance with U.S. banking laws and regulations. Some investments may not be available to the Fund. Changes in applicable banking laws or regulations or in the interpretation or application thereof could require the Fund to dispose of some or all of its investments under unfavorable market conditions thus causing the Fund to recognize a loss that it might not otherwise have recognized and could cause the Manager to discontinue activities with respect to certain of the investment activities of the Fund. The discontinuance of such activities by the Manager could have a material adverse effect on the Fund and the investments of the Fund. The Fund may use a specially formed entity (each an “Alternative Vehicle”) to hold certain investments in which Shareholders other than Bladex may be required to invest outside of the Company to maintain compliance with such banking laws and regulations. The use of Alternative Vehicles may involve additional costs of forming, structuring, and operating such entities.

Tax Risk. Potential investors are strongly urged to consider “*Tax Considerations*” and “*ERISA and Other Considerations*” and to consult their own advisors. Neither the Company nor the Master Fund is intended and should not be expected to provide any tax shelter, but each is incorporated as a Cayman Islands exempted limited liability company to permit any distributions it might make to be made without being subject to tax in the Cayman Islands.

Potential Conflicts of Interest

The Manager may engage in activities, including financial advisory activities that are independent from, and may from time to time conflict with, those of the Fund. The Directors are accountable to the Fund as a fiduciary and, consequently, must exercise good faith and integrity in handling the business of the Fund. Nevertheless, in the conduct of such business, conflicts may arise between the interests of the Directors (and its affiliates) and those of investors, and the Shareholder should be aware of these conflicts of interest before investing.

Allocation of Trading Opportunities by the Manager. The Investment Management Agreement requires the Manager to act in a manner that it considers fair, reasonable and equitable in allocating investment opportunities to the Fund but will not otherwise impose any specific obligations or requirements concerning the allocation of time, effort or investment opportunities to the Fund or any restrictions on the nature or timing of investments for the proprietary account of the Manager, for the Bladex Funds, or for other accounts which the Manager or its affiliates may manage (collectively and together with the Bladex Funds, the “Other Accounts”). To the extent that the Manager were to manage Other Accounts, the Manager anticipates that its activities with respect to managing Other Accounts would be complementary to the activities of the Fund and that, if appropriate, investors in the Fund would be afforded the opportunity to invest in one or all of the Other Accounts. The Manager’s professionals are not obligated to devote any specific amount of time to the affairs of the Fund, and the Manager is not required to accord exclusivity or priority to the Fund in the event of limited investment opportunities. When the Manager determines that it would be appropriate for both the Fund and any Other Account to participate in an investment opportunity, the Manager will seek to execute orders for all of the participating accounts on a basis it considers to be fair, reasonable and equitable. If the Manager has determined to trade in the same direction in the same security at the same time for the Fund and any Other Account, the Manager is authorized to combine the Fund’s order with orders for any Other Accounts and if all such orders are not filled at the same price, the Fund’s order may be filled at an average price, which normally will be the same average price at which contemporaneously entered proprietary orders are filled on that day. Similarly, if an order on behalf of more than one account cannot be fully executed under prevailing market conditions, the Manager will allocate the trades among the different accounts on a basis that it considers equitable. Situations may occur where the Fund could be disadvantaged because of the various other activities conducted by the Manager.

Non-Public Information. From time to time, Bladex and/or the Manager may come into possession of non-public information concerning specific companies although internal structures are in place to prevent the receipt of such information. Under applicable securities laws, this may limit the Manager’s flexibility to buy or sell portfolio securities issued by such companies and could preclude the Manager from taking actions that would be in the best interests of the Fund. The Fund’s investment flexibility may be constrained as a consequence of the Manager’s inability to use such information for investment and advisory purposes.

Fees for Services; Transactions between the Fund and Bladex. Bladex or its affiliates may be retained by the Fund to provide financing, credit research or other services typically provided by third parties. Fees or other amounts earned by Bladex or its affiliates in respect of such services shall be on terms that are not less favorable than those generally available from unaffiliated third persons providing comparable service.

Performance Allocation. The existence of the Performance Allocation may create an incentive for the Manager to make more speculative investments on behalf of the Fund than it would otherwise make in the absence of such performance-based compensation.

Diverse Shareholders. The Shareholders may include taxable and tax-exempt entities and persons or entities resident of or organized in various jurisdictions. As a result, conflicts of interest may arise in connection with decisions made by the Directors or the Manager that may be more beneficial for one type of Shareholder than for another type of Shareholder. In making such decisions, the Directors and the Manager intend to consider the investment objectives of the Fund as a whole, not the investment objectives of any Shareholder individually.

Use of Third Party Marketers. The Directors may enter into fee sharing arrangements with third party marketers or solicitors who refer investors to the Fund. Such third party marketers may have a conflict of interest in advising prospective investors whether to purchase or redeem Shares.

Personal Trading by the Directors, the Manager and Affiliates. The Directors, and the Manager and affiliates may make trades and investments for their own accounts. In these accounts, any such persons may use trading and investment methods that are similar to, or substantially different from, the methods used by them to direct the Fund's account. The records of these personal accounts will not be made available to Shareholders.

Lack of Separate Representation. Neither the Articles nor any of the agreements, contracts and arrangements between the Fund, on the one hand, and the Directors and/or the Manager on the other hand, were or will be the result of arm's-length negotiations. The attorneys, accountants and others who have performed services for the Fund in connection with this offering, and who will perform services for the Fund in the future, have been and will be selected by the Directors. No independent counsel has been retained to represent the interests of prospective investors or Shareholders, and the Articles have not been reviewed by any attorney on their behalf. The Shareholder is therefore urged to consult its own counsel as to the terms and provisions of the Articles and all subscription and other related documents.

Valuation of Assets. Valuations generally will be carried out on the last Business Day of each calendar month. The Fund's Net Asset Value will be valued in accordance with US GAAP subject to the amortization of Organizational Expenses over the Amortization Period. To maintain compliance with U.S. GAAP with respect to the Fund's financial statement reporting obligations, the Fund expects that its Net Asset Value may differ from the net asset value of the Fund for financial statement reporting purposes during such Amortization Period. Appropriate reserves may be accrued and charged, in accordance with US GAAP, against the assets of the Fund for contingent liabilities, such reserves to be in the amounts (subject to increase or reduction) which the Manager deems necessary or appropriate. The Manager may elect to charge or credit the amount of any such reserve (or any increase or decrease thereof) to investors who are Shareholders at the time when such reserve is created, increased, or decreased, as the case may be, or alternatively to those investors who were Shareholders at the time of the act or omission giving rise to the contingent liability for which the reserve was established. If the Manager determines that it is necessary, in accordance with US GAAP, to treat an amount to be paid or received as being applicable to one or more prior periods, then such amount may be proportionately charged or credited, as appropriate, to those interests that were

outstanding during any such prior period. Any securities, commodities, options, and other instruments or assets held by the Fund for which there is no clear valuation (e.g. no quoted prices) are assigned a value as reasonably determined by the Directors, in consultation with the Manager and such industry professionals and other third parties as the Directors deems appropriate. The Manager has a conflict of interest in that the Manager will receive a higher Performance Allocation and a higher Management Fee if the assets are given a favorable valuation.

A complete list of all risk of investing and other conflicts of interests are more fully described in the offering memorandum of each private fund to which BAM serves as the investment manager. A document all investors should consider prior to investing in a private fund.

Disciplinary Information

Form ADV Part 2A, Item 9

BAM, including its employees and affiliates, have not been involved in any legal or disciplinary events or actions.

Other Financial Industry Activities and Affiliations

Form ADV Part 2A, Item 10

Bladex Asset Management, Inc. has a relationship with its parent, Bladex, as described in Item 4 above.

In addition, Bladex provides a material portion of the assets managed by BAM, in the form of private funds that are under the direct control of Bladex. Bladex also provides certain administrative and support services to BAM and the funds it manages in the form of regional and economic insights, as well as back office, legal, accounting and information technology support.

Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Form ADV Part 2A, Item 11

Code of Ethics

BAM has adopted a Code of Ethics (the “Code”) that obligates BAM and its related persons to put the interests of BAM’s clients before our own interests and to act honestly and fairly in all dealings with clients. All of our personnel are also required to comply with applicable federal securities laws. Clients or prospective clients may obtain a copy of the Code by contacting Luis M. Cifuentes (Chief Compliance Officer) by email at lcifuentes@bladex.com, or by telephone 212-813-3711. See below for an overview of BAM’s Code.

Statement of General Policy

A Code of Ethics (“Code”) has been adopted by Bladex Asset Management (“BAM”). The code establishes rules of conduct for all employees of Bladex Asset Management and is designed among other things to; govern personal securities trading activities in the accounts of employees. The Code is based upon the principle that Bladex Asset Management and its employees owe a fiduciary duty to Bladex Asset Management’s clients to conduct their affairs, including their personal securities transactions, in such a manner as to avoid (i) serving their own personal interests ahead of clients, (ii) taking inappropriate advantage of their position with the firm and (iii) conflicts of interest or any abuse of their position of trust and responsibility.

Pursuant to Section 206 of the Advisers Act, both Bladex Asset Management and its employees are prohibited from engaging in fraudulent, deceptive or manipulative conduct. Bladex Asset Management and its employees have an affirmative duty of utmost good faith to act in the best interest of BAM’s clients, and not to favor one client over another.

BAM employees are required to pre-clear personal transactions involving initial public offerings, private placements and limited offerings.

BAM employees are required to provide initial and annual holdings reports and quarterly transaction reports to the Firm’s Chief Compliance Officer for review.

BAM employees must annually certify in writing that they have read and understood all provisions of the firm’s Code of Ethics, complied with all requirements of the Code and have submitted all holdings and transaction reports as required by the Code.

The Code of Ethics will be reviewed periodically. A copy of the BAM’s Code is available to BAM clients upon request by contacting Luis Cifuentes at lcifuentes@bladex.com.

Brokerage Practices

Form ADV Part 2A, Item 12

Portfolio Transactions

BAM is responsible for the placement of the portfolio transactions of the Fund and the negotiation of any commissions or spreads paid on such transactions. Portfolio securities are purchased through brokers on securities exchanges or directly from the issuer or from an underwriter or market maker for the securities. Purchases of portfolio instruments through brokers involve a commission to the broker. Purchases of portfolio securities from dealers serving as market makers include the spread between the bid and the asked price. Securities transactions are executed by brokers selected solely by BAM in its sole discretion.

In placing portfolio transactions and negotiating commission rates, BAM will seek to obtain the best execution for the fund, taking into account the following factors: the ability to effect prompt and reliable executions at favorable prices (including the applicable dealer spread or commission, if any); the operational efficiency with which transactions are effected, taking into account the size of order and difficulty of execution (order handling ability); integrity and reputation of the broker; ability to make markets, specialization in related products, the Firm's risk in positioning a block of securities; the quality, comprehensiveness and frequency of available research services considered to be of value; the value and quality of research, investment strategies, special execution capabilities, clearance, settlement, custody, record keeping and other services and the competitiveness of commission rates in comparison with other brokers satisfying our selection criteria. In selection of brokers or dealers to execute transactions for our clients we do not solicit competitive bids and do not have an obligation to seek the lowest available commission cost. The fund is not required to allocate either a stated dollar or stated percentage of its brokerage business to any broker for any minimum time period, and reviews such relationships from time to time.

BAM receives research provided by brokers through which we place orders for execution on behalf of the private funds we management, as well as research developed by third parties. We may consider receipt of such research, together with other factors, in selecting a broker for a transaction. However, it is our policy not to enter into soft dollar arrangements, and we have no formal soft dollar arrangements.

The proprietary research we receive provides assistance to BAM in managing the portfolios of our clients. We receive broker generated research reports and analysts insights on securities and trends within a particular region of the world that we are interest in obtaining exposure. This may create an incentive to select a broker based on our interest to receive research or other products the broker may provide, rather than on the fund(s)' interest in receiving the most favorable execution. However, BAM determines in good faith that the selection is reasonable in relation to the value of such brokerage and research, viewed in terms of either the specific transaction or BAM's overall responsibilities to the portfolios over which it exercises investment authority. An account may, however, pay higher brokerage commissions than BAM might otherwise have been able to negotiate, or may pay more brokerage commissions based on account trading activity. In addition, the research and other benefits resulting from a brokerage relationship may benefit all accounts managed by BAM.

Brokerage for Client Referrals

BAM does not receive client referrals in exchange for brokerage.

Directed Brokerage

We do not accept advisory client's instructions for directing a transaction to a particular broker-dealer.

Aggregation and Allocation

BAM's policy is to aggregate client transactions where possible and when advantageous to clients. In these instances clients participating in any aggregated transactions will receive an average share price and transaction costs will be shared equally and on a pro-rata basis.

As a matter of policy, BAM's allocation procedures must be fair and equitable to all clients with no particular group or clients(s) being favored or disfavored over any other clients. BAM's policy prohibits any allocation of trades in a manner that BAM's proprietary accounts, affiliated accounts, or any particular client(s) or group of clients receive more favorable treatment than other client accounts.

In the event BAM participates in any new issues, BAM's policy and practice is to allocate new issues shares fairly and equitably among advisory clients according to a specific and consistent basis so as not to advantage any Firm, personal or related account and so as not to favor or disfavor any client, or group of clients, over any other.

Review of Accounts

Form ADV Part 2A, Item 13

Review of Accounts

Bladex Asset Management manages its clients' accounts in accordance with the strategies, investment objectives, guidelines and restrictions (if any) as described in offering memoranda. BAM discharges its supervisory oversight responsibility by frequently reviewing clients' portfolios, conducted by BAM portfolio managers, and other periodic reviews conducted by the Chief Compliance Officer, or by a person designated by the CCO.

Written correspondence and analyses of underlying portfolios are retained in accordance with BAM's record retention requirements, which have been designed in accordance with SEC regulatory standards.

Reports to Shareholders

The Fund furnishes to its shareholders, as soon as practicable after the end of each fiscal year, annual reports containing financial statements examined by the Fund's independent auditors. In addition, the Administrator provides each shareholder a monthly report on the fund's net asset value.

Client Referrals and Other Compensation

Form ADV Part 2A, Item 14

Client Referrals

BAM does not receive any economic benefit from anyone who is not a client for the provision of investment advisory or any other services to our clients.

BAM has entered into a marketing and sales arrangement with an unaffiliated firm for the referral of potential institutional investors to acquire interests in the private funds managed by BAM, and to solicit institutional investors for accounts to be separately managed. In exchange for marketing and sales services, BAM compensates the solicitor based on the terms and conditions of the marketing and sales agreement with. The solicitor is a member in good standing with the Financial Industry.

Custody

Form ADV Part 2A, Item 15

BAM does have custody of the private fund assets it manages. However, as a matter of practice, all fund assets are held at U.S. based prime brokers who are qualified custodians, in accordance with U.S. federal securities laws. The underlying investors in the private fund we manage receive a copy of the fund's annual audit report from an unaffiliated certified public accounting firm, who is registered with and frequently reviewed by the Public Accounting Oversight Board ("PCAOB").

Investment Discretion

Form ADV Part 2A, Item 16

BAM has full investment discretion to engage in the investment activities in accordance with the terms of the private fund(s)' offering memorandum. BAM has the authority to determine the securities or any other investment to be purchased or sold, in accordance with the requirements outlined in the applicable private fund offering memorandum. The private fund(s)' portfolio(s) may be altered at any time in the sole discretion of BAM and without the approval of any fund investors. The investment management agreement gives BAM broad discretionary power to decide what investments to make and what strategies it will use.

Voting Client Securities

Form ADV Part 2A, Item 17

BAM, as a matter of policy and practice, has no authority to vote proxies on behalf of advisory clients. BAM may offer assistance as to proxy matters upon a client's request, but the client always retains the proxy voting responsibility.

Financial Information

Form ADV Part 2A, Item 18

We do not require or solicit prepayment of fees six months or more in advance. BAM has not experienced any financial condition that is reasonably likely to impair our ability to meet contractual commitments to its clients.