



Hillhouse Capital Advisors, Ltd.

**Form ADV, Part 2A –
Investment Advisory
Brochure**

This Brochure provides information about the qualifications and business practices of Hillhouse Capital Advisors, Ltd. If you have any questions about the contents of this Brochure, please contact us at hcainfo@hillhousecap.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority.

Hillhouse Capital Advisors, Ltd. is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training.

Additional information about Hillhouse Capital Advisors, Ltd. also is available on the SEC's website at www.adviserinfo.sec.gov.

November 7, 2012

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ITEM 2: MATERIAL CHANGES

Because the firm is new, there are no material updates to the firm's brochure to disclose. In the future, material updates to the information contained within this Brochure will be promptly provided to clients.

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ITEM 4: ADVISORY BUSINESS

Overview

Founded in October 2012, Hillhouse Capital Advisors, Ltd. ("Hillhouse") intends to provide investment advice with respect to securities and other investment instruments that are permitted to be acquired by persons licensed as a Qualified Foreign Institutional Investor ("QFII") by the China Securities Regulatory Commission ("CSRC"), including securities and investment instruments traded on exchanges within the People's Republic of China ("QFII Investments"). As a new advisory company, we had no assets under management as of November 7, 2012, and have not provided investment advice to any persons. We plan to provide our advisory services and manage all client assets on a discretionary and non-discretionary basis, although we expect that all of our initial advisory services will be provided on a non-discretionary basis. We are a wholly owned subsidiary of Hillhouse Capital Group Limited, which is a wholly owned subsidiary of Hillhouse Capital Group Holdings Limited. Mr. Lei Zhang owns 100% of Hillhouse Capital Group Holdings Limited.

Investment Philosophy

Our investment philosophy is to seek long-term, risk-adjusted returns through bottom-up analysis and fundamental proprietary research. As part of our bottom-up analysis, we plan to perform both qualitative and quantitative assessments of potential investments with a particular focus on opportunities upon which we can gain insights and discover value in an ever-changing world. This fundamental research persistence should allow us to be patient, long-term investors.

Advisory Services

We expect to provide portfolio advisory services and manage client accounts and funds on both a discretionary and non-discretionary basis, although we expect that all of our initial advisory services will be provided on a non-discretionary basis. We expect to specialize our advisory services in QFII Investments. Such QFII Investments are expected to be made primarily through each client's own QFII license to trade QFII Investments. We expect to have a select and limited number of clients and, thus, we will consult with each client on its investment objectives and then tailor our services and advice to those objectives. Our role will be to assist our clients in the selection of QFII Investments most suited to their investment objectives, and then to monitor and provide additional investment advice as required in connection with the advisory relationship. We may mutually agree to construct a QFII Investments custom portfolio or structured product.

Our focus on QFII Investments will place unique limits on our investment advice and will represent a particularized portfolio available to our clients. The QFII Investment market possesses substantially different characteristics from other large equity markets. Denominated in renminbi ("RMB"), the QFII Investment market is subject to very limited access by foreign investors. Foreign investors may participate through two channels: first, investors may apply directly for a QFII "license," after which they may apply and obtain a quota of RMB with which to trade on the market; second, investors may obtain QFII Investment exposure through derivative products offered by certain investment banks. However, such derivative products may

be subject to limited availability and cost. Moreover, QFII status is only granted to investors who are able to meet stringent asset and strategy requirements, including a minimum quota of at least \$50,000,000. These requirements and restrictions substantially limit the pool of our potential clients.

Investors in QFII Investments also operate under a number of other investment constraints. For example, there is limited opportunity to short equities on the applicable markets, and little ability to engage in derivative transactions. In addition, the QFII program offers limited ability to rebalance and repatriate funds. The unique restrictions, limits, and characteristics of the QFII Investment portfolio will make our investment advisory services particularized and appropriate for investors with a QFII license. In addition, certain of our clients may place specific investment or other limits on our investment advice.

Though our investment advice will be limited to QFII Investments, the types of securities that fall within permitted QFII Investment transactions may vary and could include: share capital; common stock; preferred stock; shares of beneficial interest; partnership interests and similar financial instruments; bonds, notes, and debentures (whether subordinated, convertible, or otherwise); commodities; currencies; interest rate, currency, commodity, equity, and other derivative products, including, without limitation, (i) futures contracts (and options on futures contracts) relating to stock indices, currencies, other financial instruments, and all other commodities, (ii) swaps, options, warrants, caps, collars, floors, and forward rate agreements, (iii) spot and forward currency transactions, and (iv) agreements relating to or securing such transactions; loans; accounts and notes receivable and payable held by trade or other creditors; trade acceptances; contract and other claims; executory contracts; participations; mutual funds; money market funds; structured securities; repurchase agreements; obligations of governments and instrumentalities; commercial paper; certificates of deposit; bankers' acceptances; trust receipts; choses in action; investments in other physical assets; and any other obligations and instruments or evidences of indebtedness of whatever kind or nature; in each case, of any person, corporation, government, or other entity whatsoever.

ITEM 5: FEES AND COMPENSATION

General

We expect our clients will typically compensate us, in part, on the basis of asset management fees/allocation calculated as a percentage of a client's assets under management. We plan to bill clients for asset management fees/allocation on a quarterly basis. We expect that asset management fees/allocation will be payable by clients in advance of the beginning of each calendar quarter. We expect clients will also compensate us under performance-based allocation arrangements. In those cases, capital appreciation over a threshold amount, if any, will trigger performance-based fees/allocation, for which we will bill clients on an annual basis.

Neither we nor any of our "supervised persons" (as defined in the glossary of terms to SEC Form ADV) will accept compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds.

We expect that all of our investment advisory services initially will be provided on a non-discretionary basis, but anticipate that we will, in the future, provide our advisory services and manage client assets on both a discretionary and non-discretionary basis.

Performance-Based Compensation

We plan to negotiate performance-based fees/allocations with clients before entering into advisory relationships. We plan to charge all of our clients both asset-based fees and performance-based fees/allocations. We do not expect to participate in advisory relationships in which we charge some of our clients only performance-based fees/allocations while at the same time charging other clients only asset-based fees (a practice referred to as "side-by-side management"). Should we enter into such advisory relationships, such performance-based fees/allocations may create a conflict of interest because they create an incentive to allocate the best-performing assets into client accounts on which we charge performance-based fees/allocations. To ensure fairness in the allocation of investment opportunities among our clients, we plan to allocate investment opportunities with consideration of net asset value, market exposure, cash availability, industry sector exposure, and the suitability of such investments for each of our clients. For this determination, we plan to consider a number of factors, the most important being the client's investment objectives and strategies, existing portfolio composition, net asset value, and cash levels. Where an investment opportunity is suitable for two or more clients, we will seek to allocate such investment opportunity equitably to ensure that our clients have equal access to investment opportunities.

Refunds and Fee Waivers

In the event of the termination of a client's advisory contract during a quarterly period, the client, without request, will receive a pro rata refund of the portion of the asset management fee paid in advance for the remaining balance of the quarter. Additionally, we plan to assess a pro rata fee to any client account created on any date other than the first day of any calendar quarter.

We may, in our sole discretion, waive all or part of any fees or expenses payable by or attributable to our clients or their assets.

Other Costs

Clients will incur brokerage and other transaction costs. Please see "Brokerage Practices" below for a discussion of certain brokerage expenses. We have no affiliated broker-dealers.

ITEM 6: PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

Please see "Fees and Compensation" above for information on our performance-based fees. As described above, we do not expect to participate in side-by-side management.

ITEM 7: TYPES OF CLIENTS

We expect to provide investment advice to investment account holders that hold QFII licenses to trade in QFII Investments. Our clients are expected to include endowments, foundations, pensions, trusts, family offices, and corporations.

Minimum Account Size

We do not have a minimum account size, but expect that our managed accounts will be \$50,000,000 or more, since QFII quotas require investment of at least \$50,000,000. We generally will not require clients to maintain a minimum investment to continue an advisory relationship, but we do reserve the right to terminate an account based on its size if the account has decreased because of substantial client withdrawals.

Advisory Agreements

All clients must enter into a written investment advisory agreement before establishing an advisory relationship with us. We may not assign such agreements.

ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES, AND RISK OF LOSS

Methods of Analysis

Our research process will be focused on developing a deep fundamental understanding of businesses and industries through rigorous due diligence and analysis. To identify opportunities, we plan to spend substantial time conducting fundamental, bottom-up analysis and research on a company-by-company basis. Our methods of analysis will include: fundamental analysis, quantitative analysis, and qualitative analysis, including cyclical analysis. We plan to evaluate the upside and downside of the companies and opportunities identified and monitor them closely. On-site visits, cross-checks, and detailed financial analysis on investment opportunities will be conducted. In some circumstances, we may recommend that our clients short sell investments in companies with the intention to increase return or hedge. Recommendations to short sell will also be primarily based upon the outcomes of the bottom-up analysis and may be limited by CSRC regulation.

Sources of Information

Hillhouse plans to incorporate local expertise stemming from grassroots research to generate powerful independent and proprietary views that drive our investment recommendations. We plan to generally adhere to an exhaustive research framework, including face to face communication with management, analysis of publications and other media, site visits, and dialogue with suppliers, customers, and competitors.

Investment Strategies

General Strategy. We expect that our recommendations will be focused on capital appreciation derived from investments in publicly-traded equity securities across multiple industries. Our recommendations will target reasonably priced companies that provide substantial long-term growth prospects. Although we plan to monitor macro-economic factors and market trends, we plan to avoid market-timing strategies and focus primarily on bottom-up opportunities. Our investment recommendations will be based on bottom-up analysis and research.

We expect our investment advice will be limited to QFII Investments. We will focus on understanding fundamental risks, uncovering long-term growth potential, and targeting industries that we understand and monitor.

Limited Short Sale Strategy. Current QFII Investment regulations place limits on the ability to engage in short sales. These limits may or may not be revised in the future. To the extent allowed by regulations and in addition to seeking out attractively priced investments, we may, from time to time, recommend that our clients short sell overvalued companies facing events that we believe will result in declining market valuations. Similar to our long investment recommendations, the short portfolio recommendations are expected to be constructed on the basis of intensive bottom-up research. We are cognizant of the risks of trading short and plan to monitor exposure carefully.

Risk of Loss

Clients should be aware that any investment in securities involves a high degree of risk and is suitable only for investors of substantial means who have no need for liquidity with respect to the amount invested and can afford to lose all of their investment. There can be no assurances that our clients will receive a return of or on their capital.

Investment risks a client should be aware of include, but are not limited to, the following:

International Investments. We expect to primarily recommend QFII Investments. International investments involve a broad range of political, economic, legal, tax, and financial risks. Many of these risks are not typically associated with investments in securities of companies in economies that have developed and been regulated over a longer period. These risks include: (i) less publicly available information; (ii) varying levels of governmental regulation and supervision; and (iii) foreign exchange controls. Moreover, non-United States ("U.S.") companies may not be subject to uniform accounting, auditing, and financial reporting standards, practices, and requirements comparable to those applicable to U.S. companies. Further, investing in securities of non-U.S. entities that are generally denominated in non-U.S. currencies and utilization of options on non-U.S. securities involves certain considerations comprising both risks and opportunities not typically associated with investing in securities of the U.S. government or entities organized or domiciled in the U.S. These considerations include changes in exchange rates and exchange control regulations, political and social instability, expropriation, imposition of foreign taxes, less liquid markets and less available information than is generally the case in the U.S., higher transaction costs, foreign government restrictions, less government supervision

of exchanges, brokers and issuers, greater risks associated with counterparties and settlement, difficulty in enforcing contractual obligations, and greater price volatility.

Emerging Markets. Investing in an emerging market involves additional risks and special considerations not typically associated with investing in other more established economies or securities markets. Emerging economies differ from other large economies in many respects, including the level of development, growth rate, and allocation of resources. Such risks may include (i) increased risk of nationalization or expropriation of assets or confiscatory taxation; (ii) greater social, economic, and political uncertainty, including war; (iii) higher dependence on exports and the corresponding importance of international trade; (iv) greater volatility, less liquidity, and smaller capitalization of securities markets; (v) greater volatility in currency exchange rates; (vi) greater risk of inflation; (vii) greater controls on foreign investment and limitations on repatriation of invested capital and on the ability to exchange local currencies for U.S. dollars; (viii) increased likelihood of governmental decisions to cease support of economic reform programs or to impose centrally planned economies; (ix) differences in auditing and financial reporting standards, which may result in the unavailability of material information about issuers; (x) less extensive regulation of the securities markets; (xi) longer settlement periods for securities transactions and less reliable clearance and custody arrangements; (xii) less protection through registration of assets; (xiii) less developed corporate laws regarding fiduciary duties of officers and directors and protection of shareholders and other interest holders; and (xiv) less developed laws regarding internal controls designed to ensure the accuracy of financial reporting and third party attestation of the effectiveness of those controls. Moreover, the value of investments recommended by us may be adversely affected by uncertainties associated with international political developments. Changes in political, economic, and social conditions and government policies in the People's Republic of China ("PRC") and elsewhere in Asia may have a substantial detrimental impact on our clients' investments. These changes may include: (a) promulgation of new laws, regulations, and economic policies; (b) changes in the interpretation or enforcement of laws or regulations; (c) introduction of measures to control inflation or stimulate growth; (d) changes in the rate or method of taxation; and (e) the imposition of additional restrictions on currency conversion and remittances abroad.

Availability of Suitable Investment Opportunities and Investment Risk. For our investment strategies to be successful, we must be able to identify and select appropriate investment opportunities. Additionally, we compete for investment opportunities with operating companies, financial institutions, and other institutional investors, which may negatively impact our clients' ability to take advantage of suitable investment opportunities. Successful implementation of the investment strategy adopted by us requires accurate assessments of general economic conditions, the detailed analysis of individual companies or industries, the relationship between a security and its derivatives, the risk correlation between a wide variety of investments, and the future behavior of other financial market participants. Even with the most careful analysis, the direction of the financial markets is often driven by unforeseeable economic, political, and other events and the reaction of market participants to these events. There can be no assurance that our strategy will be successful and an unsuccessful strategy may result in significant losses to our clients' investments. Our clients should be aware that the value of their investments and the return derived from them may fluctuate. There can be no assurance that the recommended investments will achieve our clients' investment objectives. Additionally, though investments

will be monitored in accordance with our policies, as well as restrictions and risk management policies in prospectuses or investment advisory agreements, there can be no guarantee that losses will be avoided at all times. There is a risk that QFII Investments or other investments made pursuant to our recommendations will be lost entirely or in part. Past performance may not be construed as an indication of the future results of an investment monitored or recommended by us.

Strategy Risks. Fundamental analysis, by itself, does not attempt to anticipate market movements. This presents a potential risk and, although we consider overall market conditions in our investment strategies, the price of a security may move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the investment. Likewise, by implementing our long-term growth recommendations, our clients may not take advantage of short-term gains that could be profitable. If our predictions are incorrect, a security may decline sharply in value before client investments are sold.

Equity Risk. Because of the nature of our investment strategies, clients are subject to the risk that prices will fall over short or extended periods of time, and clients could lose all, or a substantial portion, of the value of their investments.

Business Risk. QFII Investments or other investments that we recommend may report poor results and industry and/or economic trends and developments could have a greater impact on certain companies in comparison to the market as a whole. The prices of these companies' securities may decline in response.

Interest Rate Fluctuations. The prices of some of the financial derivative instruments that we may recommend may be sensitive to interest rate fluctuations. Unexpected fluctuations in interest rates could cause the corresponding prices of our clients' long and short portions to move in directions that were not initially anticipated. Additionally, interest rate increases generally will increase the costs of borrowing. To the extent that interest rate assumptions underlie the hedge ratios implemented in hedging a particular position, fluctuations in interest rates could invalidate those underlying assumptions and expose our clients to losses.

Market Risk and Disruptions. The price of a security may decline in response to certain tangible and intangible events and conditions, including conditions directly involving the issuers of the securities; general economic conditions; overall market changes; local, regional, or global political, social, or economic stability; governmental responses to economic conditions; and currency, interest rate, and commodity price fluctuations. Such events are beyond our control and may be independent of a security's particular underlying circumstances. Further, the global financial markets have undergone and may further undergo pervasive and fundamental disruptions that have led to extensive and unprecedented governmental intervention. Such intervention has, in certain cases, been implemented on a sudden and "emergency" basis. This has substantially limited the ability of market participants to continue to implement certain strategies or manage the risk of their outstanding positions. In addition, as one would expect given the complexities of the financial markets and the limited time frame within which governments have felt compelled to take action, these interventions may be perceived as unclear in scope and application and such perceptions can contribute to general uncertainty in the

markets. Clients may incur major losses in the event of disrupted markets and other extraordinary events in which historical pricing relationships (on which we may base our recommendations) become materially distorted. The risk of loss from pricing distortions is compounded by the fact that in disrupted markets many positions become illiquid, making it difficult or impossible to close out positions against which the markets are moving. Market disruptions may from time to time cause dramatic losses for our clients, and such events can result in otherwise historically low-risk strategies performing with unprecedented volatility and risk. It is impossible to predict what additional interim or permanent governmental restrictions may be imposed on the markets and/or the effect of such restrictions on our strategies.

Regulatory Change. The regulation of the non-U.S. securities markets, investment advisers, and pooled investment vehicles has undergone substantial change in recent years, and such change may continue in the foreseeable future. The effect of regulatory change on us and our clients, while impossible to predict, could be substantial and adverse.

Investment Regulations. At present, the securities market and the regulatory framework for the securities industry in the PRC is at an early stage of development. The CSRC is responsible for supervising the national securities markets and producing relevant regulations. Certain investment regulations that regulate repatriation and currency conversion are new and the QFII system was introduced in 2002. Thus, the application and interpretation of such investment regulations are somewhat uncertain. Additionally, such investment regulations give CSRC and the PRC State Administration of Foreign Exchange ("SAFE") discretion, which may result in uncertainty as to how this discretion may be exercised. Such investment regulations may be varied in the future and may negatively impact us and our clients. Investment quotas may be subject to review from time to time by CSRC and SAFE.

PRC Laws and Regulations. The PRC legal system is based on written statutes. Since 1979, the PRC government has been developing a comprehensive system of commercial laws and considerable progress has been made in the promulgation of laws and regulations dealing with economic matters, such as corporate organization and governance, foreign investment, commerce, taxation, and trade. Therefore, some degree of uncertainty exists in connection with whether existing laws and regulations will apply to certain events or circumstances and, if so, the manner of such application. Precedents on the interpretation, implementation, and enforcement of PRC laws and regulations are somewhat limited and the binding nature of decisions of the PRC courts may vary. The administration of the PRC laws and regulations may be subject to a certain degree of discretion by executive authorities. In particular, as mentioned above, new investment regulations have a shorter operating history. Because these laws, regulations, and legal requirements are relatively recent, their interpretation and enforcement involve significant uncertainty. In addition, the PRC laws governing business organizations, bankruptcy, and insolvency may provide less protection to security holders than that provided by the laws of other countries.

PRC Enterprise Income Tax. According to the Enterprise Income Tax Law of the People's Republic of China of March 16, 2007 (the "Enterprise Income Tax Law"), dividends, interest, rents, royalties, capital gains, and other income from PRC sources recognized by non-PRC tax resident enterprises is generally subject to PRC withholding tax at a rate of 20%. The

Implementation Rules of the Enterprise Income Tax Law of December 6, 2007 reduced the rate of withholding tax imposed by the Enterprise Income Tax Law from 20% to 10% for PRC sourced income recognized by non-PRC tax resident enterprises. According to the Notice on Issues relating to Withholding Tax of Dividends and Interests Paid by a Resident Enterprise to a Qualified Foreign Institutional Investor, issued on January 23, 2009 (the "QFII Withholding Tax Notice"), PRC tax authorities confirmed that QFIIs will be subject to withholding tax of 10% on dividends and interest they derive from the PRC (subject to reduction by applicable tax treaties). PRC resident enterprises who distribute dividends or pay interest to QFIIs withhold this 10% withholding tax.

The QFII Withholding Tax Notice does not address PRC tax consequences for capital gains generated by QFIIs. Technically, a 10% withholding tax should be imposed on such gains (subject to reduction by applicable tax treaties) pursuant to the general provisions of the Enterprise Income Tax Law and its implementation rules. In addition, since there is no PRC tax law precedent or practice to generally exempt interest or gains with respect to debt instruments, income from the holding or disposition of such investments by QFIIs is also technically subject to this 10% withholding tax, except with respect to certain qualifying government bonds that are specifically exempt from this tax. However, PRC tax authorities have never formally levied the 10% capital gains withholding tax on any QFII. The imposition of this tax has been in a pending status for several years. Historically, PRC tax authorities have considered the capital gains taxing rules each year, but have yet to impose such a tax. Our clients' QFII Investments may be impacted if such a tax is imposed in the future.

PRC Stamp Tax. A PRC stamp tax is generally imposed on the purchase and sale of shares of PRC publicly traded companies at a rate of 0.1% of the purchase/sales consideration. According to regulations effective from September 18, 2008, the purchase of shares of PRC-listed companies will not be subject to stamp tax and only the selling party will be subject to the stamp tax. The holder of a QFII license is subject to this tax on each sale it makes in a PRC-listed security, which may impact our clients' QFII Investments.

PRC Business Tax. A PRC business tax is imposed, generally at a rate of 5%, on the gross consideration received by a service provider of specified services and by a transferor with respect to the transfer of immovable property or intangible property. Certain qualifying financial institutions in the PRC are subject to the business tax on interest and capital gains from securities based on special business tax rules that classify financial activities such as the buying, holding, and selling of securities as a service that are subject to the business tax. On December 1, 2005, the Ministry of Finance and State Administration of Taxations issued the QFII Business Tax Policy Circular, holding that QFIIs are not subject to the business tax with respect to gains derived from their securities trading activities. This circular did not address the business tax consequences of other income such as interest. Therefore, some degree of uncertainty exists in connection with the application of the business tax in certain circumstances.

Securities Markets. The PRC securities markets, including the Shanghai Stock Exchange and Shenzhen Stock Exchange, are undergoing a period of growth and change that may lead to difficulties in the settlement and recording of transactions and in interpreting and applying the relevant regulations. In addition, there is regulation and enforcement activity in the PRC

securities markets that may not be equivalent to markets in countries that are members of the Organisation for Economic Co-operation and Development ("OECD"), including the U.S. There may not be regulation and monitoring of the PRC security market and activities of investors, brokers, and other participants equivalent to that in certain OECD markets. The QFII Investment market is a developing financial market and, therefore, client investments may be disrupted if changes are adopted in any applicable law or regulations such that it becomes illegal for the issuers to issue certain instruments. As we intend to recommend QFII Investments, our clients may suffer substantial losses in the event that this is the case.

Liquidity Risk. Some companies or investments we recommend may not be well known, may have few shares outstanding, or can be significantly susceptible to political and economic events. Securities issued by these companies may be difficult to buy or sell and the value of such securities may rise and fall substantially.

Trading Volumes and Volatility. The Shanghai Stock Exchange and Shenzhen Stock Exchange have lower trading volumes than most OECD exchanges and the market capitalizations of listed companies are small compared to those on more developed exchanges. The listed equity securities of many companies in the PRC are accordingly materially less liquid, subject to greater dealing spreads, and experience materially greater volatility than most securities in OECD countries. Government supervision and regulation of the PRC securities market and of quoted companies may be considered less developed than in some OECD countries. The PRC stock market has in the past experienced substantial price volatility and no assurance can be given that such volatility will not occur in the future.

Currency Risk; Liquidity and Exchange Controls. Changes in currency prices may adversely affect the base currency value of a client's portfolio investments and gains and losses on the sale of portfolio investments. Clients may also incur costs in converting investment proceeds from one currency to another. At present, RMB is a restricted currency and is not freely convertible. The conversion is subject to approval from SAFE. Our clients may be exposed to exchange control risk in connection with their investments. The PRC authorities may change the current exchange control such that it may adversely impact the payments of our clients' investments and an active secondary market may not be developed or maintained.

ITEM 9: DISCIPLINARY INFORMATION

There are no legal or disciplinary events that are material to a client's or prospective client's evaluation of our business or the integrity of our management.

ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Neither we nor any members of our management are registered, or have an application pending to register, as a broker-dealer, a registered representative of a broker-dealer, a futures commission merchant ("FCM"), commodity pool operator ("CPO"), a commodity trading advisor ("CTA"), or an associated person of a registered FCM, CPO, or CTA.

We are under common control with Hillhouse Capital Management Pte. Ltd., Hillhouse Capital Management Limited, and Hillhouse (Beijing) Advisory Limited (each, an "Affiliated Advisory Business"). We expect to maintain service agreements with each Affiliated Advisory Business, which will assist us in conducting operations in certain foreign jurisdictions. Similarly, we are affiliated through common ownership with Hillhouse Capital Management, Ltd. ("HCM"). HCM currently serves as an investment manager solely to private funds, with full discretion to invest in securities on a global basis. HCM-advised funds follow a substantially more diversified strategy compared to ours and have greater ability to engage in short sales where allowed on global exchanges.

We expect our investment advisory clients will be limited to QFII license holders that will be eligible to invest in QFII Investments, and expect that our advice will initially be provided on a non-discretionary basis. HCM and its clients do not have QFII licenses and, therefore, are precluded from investing in QFII Investments directly. As a result, HCM may only access QFII Investments through derivative products. Many companies that list QFII Investments also offer other classes of securities in jurisdictions or on exchanges outside of the PRC ("Parallel China Shares"). Investors in funds advised by HCM may obtain indirect exposure to QFII Investments through derivative instruments, Parallel China Shares, investing in other classes of securities issued by companies that also issue QFII Investments, or other arrangements, subject to availability of the aforementioned products. We and HCM may, in some instances, follow the same strategies with respect to QFII Investments or similar securities, although there will be no obligation for us and HCM to act at the same time or in the same manner. Therefore, investment results may differ as between our clients and HCM's clients. To address these potential conflicts of interests, we have adopted policies and procedures, including a Code of Ethics. Please see "Code of Ethics, Participation or Interest in Client Transactions, and Personal Trading" below for a discussion of our Code of Ethics.

In some instances, both we and HCM are expected to use shared personnel for certain services. Shared personnel may include back office personnel as well as professionals who provide portfolio advice. Such shared personnel of Hillhouse and HCM may have conflicts of interests in allocating their time and resources between us and HCM. Different performance or management compensation structures or incentives may apply to shared personnel, which may also create a conflict of interest. We have adopted policies and procedures, including a Code of Ethics, to address these potential conflicts of interests.

Different performance and management fees may be charged for substantially similar products managed or advised by us, which may also create a conflict of interest. Please see "Fees and Compensation" above for information regarding how our clients will compensate us, the potential conflict of interest created by allocating investment opportunities among client accounts, and how Hillhouse plans to address the potential conflict of interest.

We do not expect to recommend or select other investment advisers for our clients. Neither we nor HCM will receive compensation directly or indirectly from each other for any recommendation of the other. In addition, neither we nor HCM will, directly or indirectly, pay or receive compensation to or from third parties in connection with recommending advisory services. Other than as referenced above, we are not aware of any other material affiliations.

ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS, AND PERSONAL TRADING

General Code of Ethics

Our employees are responsible for maintaining the very highest ethical standards when conducting business. In keeping with these standards, our employees must always place our clients' interests ahead of their own. Moreover, our employees should adhere to the spirit as well as the letter of the law and be vigilant in guarding against anything that could skew their judgment. Accordingly, Hillhouse has adopted a Code of Ethics and detailed Compliance Manual (together, the "Code"). You may obtain a copy of the Code by writing to Hillhouse Capital Advisors, Ltd., Attn: Chief Compliance Officer at the address on the cover page of this Brochure. The Code sets forth standards for the purpose of deterring wrongdoing and promoting: (i) honest and ethical reporting; (ii) full, fair, accurate, timely, and understandable disclosure in reports and documents; (iii) compliance with applicable laws, rules, and regulations; (iv) prompt internal reporting of violations of the Code; and (v) accountability for adherence to the Code.

Interest in Client Transactions

Please see "Fees and Compensation" and "Other Financial Industry Activities and Affiliations" above for a discussion of the potential conflict of interest created by allocating investment opportunities among client accounts and how Hillhouse plans to address the potential conflict of interest.

Personal Trading

The Code is designed to assure that the personal securities transactions, activities, and interests of our employees will not interfere with their judgment in advising our clients. We will discourage our employees from personal trading due to the conflicts of interest (real and apparent) that such trading may present. All employees must receive pre-clearance for all securities transactions and must provide post-trading details of all trades. All employees also must provide us with detailed information regarding their securities holdings, which will be updated on a quarterly basis. Although employees will not be prohibited from personal trading, employees will be prohibited from short-term trading or speculation, and employees will provide Hillhouse with all investment opportunities suitable for any investment strategy of the clients prior to engaging in any transaction related thereto. To minimize the risk of potential conflicts of interests, employees and their immediate family members may not, directly or indirectly, make trades in any security, company, asset, or investment product (i) located in or having a substantial business relation to the PRC, or (ii) under research, traded in, or contemplated to be traded in by Hillhouse.

ITEM 12: BROKERAGE PRACTICES

We may recommend brokers to non-discretionary accounts and choose brokers for discretionary accounts for more efficient and/or less expensive transactions, or for non-financial relationship

reasons. We will endeavor to recommend brokers that provide the best execution for securities transactions so that a client's total costs or proceeds in each transaction are the most favorable under the circumstances ("Best Execution"). We will consider the full range and quality of a broker-dealer's services in recommending brokers. Please note that Best Execution will not necessarily be determined by the lowest possible commission costs. In recommending brokers to our non-discretionary accounts or choosing brokers for discretionary accounts, Hillhouse will consider a number of factors, including execution capability, commission rates, financial responsibility, the value of the broker-dealer's research, and responsiveness. We will not consider whether we receive referrals from a broker-dealer or third party in selecting or recommending a broker. In any event, non-discretionary account clients will not be under any obligation to select the broker that we have recommended.

Directed Brokerage

Clients may sometimes request that we use a particular broker-dealer to effect transactions in recognition of services the clients receive from the broker-dealer or from a third party. Any request to do so must be preapproved by our Chief Compliance Officer. Clients' direction of brokerage services may cost clients more money and may prevent the client from receiving the most favorable execution of the client's transactions.

Soft Dollar Arrangements

We do not expect to enter into any "soft dollar arrangements" whereby we would receive research or other products or services (other than execution) from a broker-dealer or a third party in connection with client securities transactions.

Trade Aggregation

We do not plan to aggregate or bunch client orders, since QFII Investment orders must be processed separately through each QFII quota and may not be combined or aggregated with QFII quotas held by other clients.

ITEM 13: REVIEW OF ACCOUNTS

We plan to review and evaluate our clients' investment objectives and performance on a quarterly basis. We also plan to review strategies to ensure compliance with investment objectives and restrictions. Reviews will primarily be conducted by the relevant portfolio manager and may periodically be conducted by an "Investment Committee" that is comprised of our Chief Investment Officer and other senior members of our research team.

Following research and analysis, a review of potential investments will be conducted by the Investment Committee. The Investment Committee will meet regularly to consider fundamental changes, industry dynamics, and the competitive advantages of companies and their people and businesses. Target reviews will be performed regularly by the Investment Committee, so upside, downside, and fair value can be considered by the Investment Committee based on earnings forecasts.

Client Reports

Within 150 days after the end of each fiscal year or as soon thereafter as is reasonably possible, Hillhouse or one of our affiliates will deliver written reports to clients and, to the extent provided in our agreement with the client or required by law, our former clients, including: (i) a copy of the balance sheet of the client's account, together with statements of net capital appreciation or net capital depreciation and changes in the underlying investor's capital, all in reasonable detail, prepared in accordance with the laws, rules, and regulations then prevailing; (ii) such tax information as is necessary for the client to prepare and file federal and applicable state income tax returns and any other reporting or filing requirements; and (iii) within 30 days after the end of each calendar month or as soon thereafter as is reasonably possible, an unaudited statement of an estimate of the client's account and account balance(s) and any capital contributions or withdrawals by the client since the preceding month-end.

ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION

No person, other than our clients, will provide us with an economic benefit for providing advisory services to our clients. Neither Hillhouse nor a related person of Hillhouse will directly or indirectly compensate any person who is not under the supervision of Hillhouse for client referrals.

ITEM 15: CUSTODY

The term "custody" is defined as holding, directly or indirectly, client funds or securities, or having any authority to obtain possession of them. We will adhere to applicable requirements of custodial regulations with respect to each client for which we act as a custodian. We do not expect to have physical custody of any client funds and/or securities. Such funds and securities will be held with a bank, broker-dealer, or other independent, qualified custodian. Our Chief Compliance Officer will be responsible for ensuring that any qualified custodian with custody of client assets is properly qualified. Our clients will receive account statements from the independent, qualified custodian holding their funds and securities at least quarterly. Our clients should carefully review account statements for accuracy.

Please see "Client Reports" above for a description of the content and frequency of reports expected to be delivered by Hillhouse or one of our affiliates to clients regarding client accounts. Clients should review such reports carefully and compare our account reports with the account statements from your qualified account custodian to reconcile the information reflected on each statement. Clients may direct additional questions regarding custody to Hillhouse Capital Advisors, Ltd., Attn: Chief Compliance Officer, at the address on the cover page of this Brochure.

ITEM 16: INVESTMENT DISCRETION

We plan to provide advisory services on a discretionary and non-discretionary basis, although we expect that all of our initial advisory services will be provided on a non-discretionary basis. Our

Chief Investment Officer, in consultation when appropriate with our Chief Compliance Officer, will be primarily responsible for ensuring that the securities or other financial instruments recommended are consistent with the respective client's investment objectives and, in any event, the approval of both such officers will be required before Hillhouse assumes discretionary authority to manage a client's investments. As noted above under "Types of Clients," all clients must enter into written investment advisory agreements with Hillhouse before Hillhouse will enter into any advisory relationship with a prospective client. We only plan to provide advice regarding securities or other financial instruments consistent with client objectives and our investment advisory services are expected to be limited to clients with a QFII license to trade in QFII Investments.

Certain of our clients may place specific investment or other limits on our investment advice. Illiquid investments present unique suitability considerations. We may only recommend these investments with the approval of our Chief Investment Officer.

ITEM 17: VOTING CLIENT SECURITIES

We may accept proxy voting authority to vote client securities. To ensure protection of our clients' interests in voting proxies, we take our responsibility to exercise our votes seriously and have adopted written policies and procedures to do so consistent with Rule 206(4)-6 promulgated under the Investment Advisers Act of 1940. These policies and procedures are reasonably designed to ensure that proxies are voted in the best interest of our clients, which generally means voting proxies with a view to enhancing the value of client securities. The financial interest of our clients is the primary consideration in determining how proxies should be voted. Further, as the decision to invest in a company normally represents confidence in the company's management, Hillhouse will typically give serious consideration to management recommendations. Hillhouse will generally support management recommendations regarding internal operations and those without significant economic effects. Conversely, management proposals that are likely to have significant economic effects, involve management interests, or where we lack confidence in the management team will be subject to greater scrutiny on a case-by-case basis. The following is a brief summary of principles, rather than rules, that reflect the long-term approach that will guide (but does not obligate) our investment and proxy voting decisions regarding common proxy proposals.

1. Board of Directors: We will generally support resolutions that promote the effectiveness of boards in acting in the best interest of shareholders.
2. Auditors and Auditor Compensation: Where all members of a company audit committee are independent, we will generally support the election of directors, the appointment of auditors, and the approval of the auditor compensation recommended by the board of directors.
3. Changes in Capitalization: We recognize the need for the management of a company to have flexibility to issue or repurchase shares to meet changing financial conditions. We will generally support changes in capitalization when there is a demonstrable need for change. We are, however, aware that new shares may dilute the ownership interest of shareholders, and we will not generally support changes resulting in excessive dilution of existing shareholder value.

4. Corporate Restructuring, Mergers, and Acquisitions: We believe proxy votes dealing with corporate reorganizations are an extension of the investment decision. Accordingly, we will analyze such proposals on a case-by-case basis, weighing heavily the views of our research analysts that cover the company and our investment professionals managing the portfolios in which the stock is held.
5. Management Compensation: Our goal is to support compensation arrangements that are tied to long-term corporate performance and shareholder value. These arrangements should better align management's interests with those of shareholders and should induce management to purchase and hold equity in the company.
6. Other Issues: We will address business issues specific to a company or those raised by shareholders of a company on a case-by-case basis with a focus on the potential impact of the vote on value to our clients.

Procedurally, Hillhouse will take reasonable measures under the circumstances to obtain knowledge of meetings and other events giving rise to solicitation of proxies, assure that proxies are received in sufficient time for Hillhouse to take action, vote proxies, and return the proxies to the parties soliciting them in time to be counted. Clients may direct the vote of Hillhouse in a particular solicitation, obtain information from us about how we voted clients' securities, and obtain a copy of our proxy voting policies and procedures by writing to Hillhouse Capital Advisors, Ltd., Attn: Chief Compliance Officer, at the address on the cover page of this Brochure.

ITEM 18: FINANCIAL INFORMATION

There is no financial condition that is reasonably likely to impair our ability to meet our contractual commitments to clients.