

PEAK6 ADVISORS LLC
Part 2A of Form ADV: Firm Brochure

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October 31, 2013

Form ADV, Part 2A (the “Brochure”) provides information about the qualifications and business practices of PEAK6 Advisors LLC, an investment adviser registered with the United States Securities and Exchange Commission (“SEC”). If you have any questions about the contents of this brochure, please contact us at 312-362-2401. The information in this brochure has not been approved or verified by the SEC or by any state securities authority.

Registration with the SEC does not imply a certain level of skill or training.

**Additional information about PEAK6 Advisors LLC is also available at
www.adviserinfo.sec.gov**

SUMMARY OF MATERIAL CHANGES

PEAK6 Advisors LLC's ("PEAK6") most recent update to the second part of its Form ADV, also known as its "brochure," was made in October 2013. Revisions to this brochure are primarily to add information regarding PEAK6 acting, or potentially acting, as sub-advisor to certain unaffiliated funds and accounts (the "Sub-Advised Funds"), certain of which are subject to the Investment Company Act of 1940, as amended, clarifications with respect to the investment strategy of the PEAK6 Achievement Fund LLC and PEAK6 Achievement Fund Ltd. (the "Achievement Funds"), clarifications with respect to PEAK6's proxy voting policy and brokerage practices, updated risk disclosures, updated conflicts and to provide clarifications to prior disclosures. We encourage you to review the document in its entirety.

TABLE OF CONTENTS

	Page No.
SUMMARY OF MATERIAL CHANGES	2
ADVISORY BUSINESS	4
FEES AND COMPENSATION	5
PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT	7
METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS.....	7
DISCIPLINARY INFORMATION	18
OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS.....	18
CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING	19
BROKERAGE PRACTICES.....	23
REVIEW OF ACCOUNTS	25
CLIENT REFERRALS AND OTHER COMPENSATION	25
CUSTODY	25
INVESTMENT DISCRETION	26
VOTING CLIENT SECURITIES	26
FINANCIAL INFORMATION	28

ADVISORY BUSINESS

PEAK6 was founded in December 2005. The principal owners of PEAK6 are Matthew Hulsizer and Jennifer Just, who own their interests indirectly through an affiliate of PEAK6, PEAK6 Investments, L.P. (“PEAK6 Investments”), and Joseph Scoby who owns 50% of PEAK6 directly. As of September 30, 2013, Client (as defined below) assets under management were \$1,824,172,171, all of which were, and continue to be, managed by PEAK6 on a discretionary basis.

PEAK6 serves as the discretionary investment manager or managing member (“Investment Adviser”) to private investment funds and to the trading vehicles employed by the private investment funds. The private investment funds for which PEAK6 serves as Investment Adviser include the Achievement Funds, PEAK6 Performance Fund LLC and PEAK6 Performance Fund Ltd. (the “Performance Funds” and together with the Achievement Funds, the “Funds”) and PEAK6 Vega Fund LLC and PEAK6 Vega Fund Ltd. (the “Vega Funds”). However, the Vega Funds are in the process of winding down operations as of March 31, 2013. The trading vehicles employed by the Funds are referred to as the “Trading Subsidiaries” throughout this brochure. For convenience, this brochure refers to trading activities on behalf of the Funds unless otherwise indicated, but it is important to note that the majority of the Funds’ trading activity occurs at the Trading Subsidiaries level in order to enhance the Funds’ ability to execute transactions more efficiently and cost effectively and to obtain leverage on more favorable terms. Further, since April 2013, PEAK6 has served as the discretionary sub-advisor to certain Sub-Advised Funds and expects to serve as the discretionary sub-advisor to other Sub-Advised Funds in the future. The Funds and the Sub-Advised Funds are collectively referred to throughout this document as “Clients”).

The Achievement Funds invest all or substantially all of their assets into the trading vehicle PEAK6 Achievement Master Fund Ltd. The investment strategies employed by PEAK6 with respect to the Achievement Funds generally combine elements of fundamental long-short equity and corporate credit relative value trading, but may also include statistical arbitrage, convertible arbitrage and other related strategies or variations thereof depending on the investment opportunity.

The Performance Funds invest substantially all of their assets into the trading vehicle PEAK6 Performance Management LLC (the “Onshore Trading Subsidiary”), a registered broker-dealer, which may invest portions of those assets into the trading vehicle PEAK6 Cayman Management Ltd. (together with PEAK6 Achievement Master Fund Ltd., the “Offshore Trading Subsidiaries”). The investment strategies employed by PEAK6 with respect to the Performance Funds generally include volatility arbitrage and opportunistic volatility trading strategies, the latter of which is a strategy that takes an opportunistic approach to trading volatility that focuses on finding dislocations in securities that have explicit or overlooked optionality.

The Funds may pursue or invest in additional investment strategies, techniques or products not described above as determined by PEAK6 to be in the best interest of the Funds. PEAK6 may add strategies if appropriate market opportunities either are no longer available to the Funds or are identified as determined by PEAK6. For additional detail on the strategies and material risks of the Funds see the section of this brochure entitled “Methods of Analysis, Investment Strategies and Risk of Loss.”

PEAK6 has full discretion in trading on behalf of the Funds. It is not required to, and does not, seek approval from the Funds, or the investors in the Funds, with respect to its trading. Further, PEAK6 has been given authority to trade portfolios on behalf of certain Sub-Advised Funds pursuant to the terms and conditions established by the respective advisers. It is expected that PEAK6 will be given substantially similar authority in the future with respect to other Sub-Advised Funds.

FEES AND COMPENSATION

Management, Performance and Redemption/Withdrawal Fees

In its role as Investment Adviser, PEAK6 receives asset-based management fees and a share of net profits, if any, of each investor in the Funds in the form of performance-based incentive fees. PEAK6 also receives asset-based management fees in its role as sub-advisor of the Sub-Advised Funds that generally equals 1% of the Net Asset Value of each portfolio managed by PEAK6 on behalf of the Sub-Advised Funds. The fee structure of the Achievement Funds and the Performance Funds is as follows, although PEAK6 has the authority to cause the Funds to accept investments with fee terms that are different than those the Funds generally offer pursuant to the respective Fund offering documents. Such arrangements may be memorialized in side letters or similar written agreements and may also be offered via additional classes of interests or shares, as applicable.

Achievement Funds: PEAK6 generally charges investors in the Achievement Funds a quarterly management fee equal to an annual rate of 2% of the value of each investor's investment. The management fee calculation is made prior to the value of each investor's investment being reduced by the management fee then being calculated and any incentive fee that may be due. However, the management fee calculation does not include withdrawals made at the end of any quarter. The management fee is paid within 35 business days after the end of each quarter, is paid whether or not the Achievement Funds are profitable in a given quarter and is prorated if an investor withdraws at a time other than at a quarter-end. PEAK6 also generally receives an annual incentive fee equal to 20% of new net profits achieved by an investor's investment in the Achievement Funds. New net profits are calculated before reduction for the incentive fee being calculated but after any increase resulting from the payment of any withdrawal related fees. The incentive fee is also calculated at the time any full or partial withdrawal is made as if the withdrawal was made at the end of the calendar year. The incentive fee is subject to a "high-water mark" that requires that cumulative losses from prior calculation periods be recouped before incentive fees are due. PEAK6 Investments along with PEAK6 employees do not pay management or incentive fees with respect to their investments in the Achievement Funds.

As indicated above, PEAK6 has issued classes of the Achievement Funds which have different annual management and quarterly incentive fee terms. Currently, management fee terms range from 1-2% and incentive fee terms range from 12.5-28% with respect to those classes. Furthermore, the Achievement Funds may issue additional classes in the future which may differ in terms of the level of management and incentive fees charged.

PEAK6 may issue classes to which all or part of an item of gain or loss (or both) derived from a particular investment or a particular asset or claim or loss of an Achievement Fund is allocated (a "Liquidating Class"). The management fee payable by investors in a Liquidating Class equals an annual rate of 0.5% of the portion of the investor's investment allocated to the Liquidating Class ("Liquidating Class Investment"). The management fee calculation is made prior to reduction for the management fee being calculated and any incentive fee that may be due. PEAK6 also receives an incentive fee with respect to a Liquidating Class Investment. Upon initiating a Liquidating Class Investment, the high water mark attributable to the investor's investment in the Achievement Funds will be reduced in proportion to the value of the Liquidating Class and the proportional amount of the high water mark will be carried over with the Liquidating Class Investment. Upon liquidation of a Liquidating Class Investment, except for in-kind distributions as discussed below, any profit or loss earned with respect to the Liquidating Class Investment will proportionately adjust the high water mark attributable to the portion of an investor's investment in a non-Liquidating Class. The incentive fee applicable to a Liquidating Class Investment will then be calculated net the performance of the investor's investment in a non-Liquidating Class. If the investor has withdrawn in full its investment in a non-Liquidating Class as of such time, the profits and losses (and high water mark) attributable to the liquidated Liquidating Class Investment shall apply against any remaining Liquidating Class Investments attributable to the investor.

Achievement Fund investors have the right to request withdrawal of all of their investment as of any withdrawal date; however, amounts withdrawn in excess of the pre-determined threshold are subject to a fee payable to the applicable Achievement Fund equal to 3% of the amount being withdrawn. Only the amount withdrawn that is in excess of the threshold is subject to the fee. Please see the Achievement Fund Offering documents for a more detailed description.

If there is an in-kind distribution of a Liquidating Class Investment, PEAK6 will forego any management fee or incentive fee from the date that the payment in-kind was made and the Liquidating Class high water mark will be reduced proportionately with respect to the Liquidating Class Investment (which may be reduced to \$0 if the entire Liquidating Class Investment is distributed in kind).

For purposes of determining incentive fees, management fees and expenses attributable to an investor's Liquidating Class Investment, the Achievement Funds will value each Liquidating Class Investment at fair value, which may be cost until the Liquidating Class Investment is liquidated or distributed. Any expenditure that relates solely to a particular Liquidating Class Investment will be deemed to decrease the value of the Liquidating Class Investment. PEAK6, in its sole discretion, will determine whether an expenditure relates solely to a particular Liquidating Class Investment.

Performance Funds: PEAK6 generally charges investors in the Performance Funds a quarterly management fee equal to an annual rate of 2% of the value of each investor's investment. The management fee calculation is made prior to the value of each investor's investment being reduced by the management fee then being calculated, any incentive fee that may be due, ongoing selling commissions, if any, and state taxes, if any. However, the management fee calculation does not include subscriptions and/or withdrawals made at the end of any quarter. The management fee is paid within 35 business days after the end of each quarter, is paid whether or not the Performance Funds are profitable in a given quarter and is prorated if an investor withdraws at a time other than at a quarter-end. PEAK6 also generally receives a performance-based annual incentive fee equal to 20% of new net profits, after deduction of the management fee and any operating expenses, achieved by an investor's investment in the Performance Funds. The incentive fee is also calculated at the time any full or partial withdrawal is made as if the withdrawal was made at the end of the calendar year. The incentive fee is subject to a "high-water mark" that requires that cumulative losses from prior calculation periods be recouped before incentive fees are due. PEAK6 Investments along with certain employees do not pay management or incentive fees with respect to their investments in the Performance Funds.

Performance Fund investors that redeem all or a portion of their investment prior to the one year anniversary of their subscription (*i.e.*, both initial subscriptions and any additional subscriptions), will be charged a redemption charge payable to the applicable Performance Fund equal to 3% of the total value of the redemption. Such redemption charge will be deducted from the investor's redeemed proceeds.

Fund Operating Expenses

In addition to management and performance fees, the Funds pay various transactional expenses and operating costs. Specifically, the Funds pay certain expenses relating to investment activities, including brokerage commissions, prime brokerage fees, data feed costs, market data and research costs which may include research related travel expenses, interest expenses, stock loan expenses, regulatory and self-regulatory fees, and other transaction charges. The Funds may also bear expenses relating to cash management, order management system and execution, portfolio accounting systems, risk management, class action filing systems or services, anti-money laundering and other compliance support systems and other analytics and fees relating to the Funds' administration, such as administrator fees, legal fees, management and fund liability insurance premiums, audit and accounting fees, tax and custodial fees and related expenses. In addition, the Funds indirectly bear their *pro rata* share of the costs and expenses incurred by the Trading Subsidiaries. Additional information on the Funds' expenses can be obtained in the respective Funds' offering document.

Brokerage and Transaction Costs

The transaction costs most frequently incurred by the Funds are brokerage commissions, which are direct charges of a broker-dealer that acts as the Funds' agent in executing a trade, and bid-ask spreads, which represent the difference between the prices at which dealers purchase and sell instruments traded by the Funds. The Funds also incur other transaction costs and expenses in connection with their trading and investment activities, and custodian fees for Fund assets held in cash or securities at various banks, broker-dealers and other financial institutions. For a discussion of the brokerage arrangements that PEAK6 enters into on behalf of the Funds see the "Brokerage Practices" section in this brochure.

Negotiation of Fees, Waivers

PEAK6's fees are generally non-negotiable, however, PEAK6 may, in its discretion, waive all or a portion of its management or incentive fees for a particular investor.

PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

As discussed in the previous section, entitled "Fees and Compensation," PEAK6 receives performance-based compensation in the form of an incentive fee based on a Fund investor's new net profits. The performance-based compensation received by PEAK6 creates a conflict between PEAK6's interest earning a profit in the short term with the long-term interests of the Funds and their investors. Specifically, PEAK6 may have an incentive to invest the Funds' assets in investments that are riskier or more speculative than would be the case if PEAK6 were only compensated based on a flat percentage of capital, because these investments may allow PEAK6 to collect larger performance-based compensation.

CLIENTS

PEAK6 provides discretionary investment advice to the Funds and the Trading Subsidiaries. Investors in the Funds, which generally must be "accredited investors" and "qualified purchasers" as such terms are defined under federal securities laws, include, but are not limited to, high net worth individuals, other pooled investment vehicles, registered investment companies, pension and profit-sharing plans, trusts and other charitable organizations and other corporations or business entities. The minimum investment in the Funds range from \$1 million to \$10 million, although these minimums can generally be reduced or waived in PEAK6's sole discretion. PEAK6 also currently provides discretionary investment advice to certain Sub-Advised Funds and may provide discretionary investment advice to other Sub-Advised Funds in the future.

METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Summary of Strategies Employed by PEAK6 on Behalf of the Achievement Funds

The Achievement Funds' objectives are to invest capital based upon two core trading philosophies: first, generation of attractive risk adjusted returns by investing when and where PEAK6 believes such returns can be achieved and second, preservation of capital. The Achievement Funds' core strategy uses fundamental research and trading skill, supported by information processing technology, to identify what it believes are mispriced corporate securities and their derivatives along the capital structure of the same, or across different, issuers. It seeks situations with a catalyst and/or what PEAK6 believes is a compelling mispricing of securities or derivatives relative to PEAK6's estimated value of such instrument. PEAK6's seeks to find the optimal expression of an investment thesis using equities, bonds and the associated derivatives. PEAK6's research not only focuses on differences between the expected value of a security relative to the current price but attempts to capitalize on the distributions of the expected returns. The Achievement Funds' strategy mainly combines elements of strategies known as fundamental long-short equity and corporate credit relative value trading. On an opportunistic basis, the

Achievement Funds' portfolio may include trades generally associated with other strategies, including, but not limited to, statistical arbitrage and convertible arbitrage private placements (including private investment in public equity and other privately-offered securities), investments in master limited partnerships and other such strategies and investments. The Achievement Funds have full flexibility to engage in any of the aforementioned strategies or variations thereof depending on the investment opportunity. The Achievement Funds may trade futures, indices, options, bonds, treasuries, over-the-counter ("OTC") products, exchange traded funds and other various instruments as part of its portfolio and risk management processes.

The Achievement Funds actively trade with the majority of its positions in U.S. and Canadian issuers and with significant exposure to European and U.K. issuers. The Achievement Funds have also previously invested, and may invest in the future, in certain other countries on an opportunistic basis including emerging markets. Notwithstanding the foregoing, PEAK6 may trade globally and has the right to diversify the geographic allocation of the Achievement Funds' capital in its sole discretion. In general, the Achievement Funds will attempt to avoid investments in illiquid and hard to value assets.

Methods of Analysis

The trade identification process for the Achievement Funds varies by strategy and can include one or more types of analyses, including, but not limited to, absolute risk return, relative value, historical analysis, trading dynamics, fundamental research, and micro and macro events. The number of issuers traded and positions vary depending upon the industry sector, developments at companies the Achievement Funds seek to invest in and the relative and absolute prices of the securities and derivatives in the market place. The sectors traded and holding periods also vary considerably and the Achievement Funds will generally have higher turnover than many other hedge funds.

Diversification and combination of offsetting positions of correlated instruments along with non-linear hedging instruments are frequently used in portfolio construction. In addition, overlay instruments may be used to manage risk factors at the overall portfolio level. The effect of the overlay may result in reduced or increased market exposures in PEAK6's discretion. There can be no assurance that attempts of PEAK6 to mitigate risks will be successful. Systemic risks cannot be eliminated and thus investors will have significant risk of losses. The portfolios of the Achievement Funds are expected to be composed mainly of securities deemed to be liquid and the Achievement Funds generally seek to avoid any positions in hard to value assets, recognizing however that liquidity conditions can deteriorate.

Summary of Strategies Employed by PEAK6 on Behalf of the Performance Funds

The Performance Funds' objectives are to achieve absolute returns that have a low correlation with the returns of more traditional asset classes. The Performance Funds aim to achieve their objective through investing capital based upon two core trading philosophies: to preserve capital and generate positive returns by investing when and where PEAK6 believes such returns can be achieved. PEAK6 applies the Performance Funds' capital with an objective of achieving absolute returns in most market conditions, short term and long term.

PEAK6 has complete authority to pursue various strategies and techniques on behalf of the Performance Funds which include, but are not limited to: volatility arbitrage, "opportunistic volatility trading," a strategy that takes an opportunistic approach to trading volatility that focuses on finding dislocations in securities that have explicit or overlooked optionality, as well as any additional, similar, related or complementary strategies or techniques deemed appropriate by PEAK6 from time to time. Any strategy implemented by PEAK6 may be used alone or together with other strategies. For example, the opportunistic volatility strategy may use aspects of the volatility arbitrage strategy in order to take advantage of opportunistic market conditions. PEAK6 may also trade OTC instruments and in the futures markets. In most cases, the Performance Funds' positions will be leveraged.

Volatility Arbitrage: The Performance Funds' volatility arbitrage strategy is generally described as a relative value and balanced equity volatility strategy that seeks to capitalize on inefficiencies in the U.S. derivatives markets. In pursuing this strategy, PEAK6 monitors, among other measures, the "vega" and "theta" of the Performance Funds' volatility arbitrage portfolio. Generally, vega is the change in price of an option that occurs with a 1.0 point change in volatility, and the vega ratio is the ratio of the vega for long positions compared to the vega for short positions. Theta measures the decline in the price of an option as the maturity date approaches and the theta ratio is the theta for long positions compared to the theta for short positions. The volatility arbitrage strategy targets an implied vega ratio of 1.0, which implies neutrality with respect to future movements in implied volatility. Typically, under this strategy, the Performance Funds will trade with an implied vega ratio in the range of 0.90 to 1.175, and an implied theta ratio of 0.80 to 1.25, although these ranges may be higher or lower and may vary considerably over time. The volatility arbitrage strategy is not based on a macro bias but rather by managing risk exposures within a narrow band that net exposures remain relatively neutral.

The Performance Funds seek to capture the difference between the theoretical price of an option as determined by PEAK6 and the price of the option in the marketplace. The theoretical price of an option is determined using a variety of proprietary software tools. These tools, amongst other functions, measure, on a real-time basis, the actual volatility of an underlying instrument (*e.g.*, a stock, an exchange traded fund or an index), and compare this volatility to the implied volatility of the options on that underlying instrument. When there is a difference between actual and implied volatility, there is a potential trading opportunity. PEAK6 generally causes the Performance Funds to sell options which have a price higher than the model suggests (expensive options) and buy options which have a price lower than the model suggests (cheap options). PEAK6 attempts to reduce or hedge the risk of directional moves in the market by purchasing or selling the instruments underlying certain of the Performance Funds' options positions or by purchasing or selling other options. PEAK6 may buy or sell options and hedge simultaneously, or "leg" into positions by either first buying or selling options and then hedging, or by first buying (selling) the underlying instrument and then buying or selling the options.

Currently, the investment selection process takes into consideration a variety of analyses, including quantitative, relative value, fundamental and risk management. An example of the investment process for this strategy would generally include a quantitative analysis of current volatility versus fair value based on past realized volatilities. It would also generally include a relative value analysis by comparing the volatility levels of a particular security to the volatility levels of other similar securities, and, also a brief fundamental analysis for any major catalysts that may cause abnormal volatility levels or gap risk. Lastly, a risk analysis would take place in an effort to determine whether or not the potential trade increases or decreases overall risk in that issuer and/or the entire portfolio associated with the strategy.

Opportunistic Volatility Trading: The Opportunistic Volatility Trading strategy is an opportunistic approach to trading volatility that focuses on finding dislocations in securities (with securities defined in the broadest possible manner herein) that have explicit or overlooked optionality. The strategy's goal is to create an optimal portfolio for a period of time that displays positive convexity and/or asymmetric return profiles. The portfolio managers aim to achieve that goal through consideration of all asset classes and then choosing the optimal security to express a viewpoint, or take advantage of a divergence, in a way that has the highest return/risk ratio. The strategy may utilize various techniques and products including, but not limited to equity securities, options, warrants, debt securities, OTC instruments, asset backed securities and other related techniques and products, as described below. The Performance Funds may take relatively large positions in connection with this strategy.

The investment process for the opportunistic volatility trading strategy may take into consideration overarching market themes, including, but not limited to, large macro themes within sectors, economies, sovereign actions and large shifts in global asset classes. In considering market themes, the portfolio managers seek dislocations in correlated and uncorrelated assets and/or securities. The investment process may also take into consideration events serving as a catalyst (*e.g.*, mergers and acquisitions,

spinoffs, bankruptcies etc.) and will utilize all securities in a company's capital structure in order to perform an analysis of the potential opportunity. As with analyzing market themes, the portfolio managers seek dislocations in the securities but with a focus on dislocations in a company's capital structure. The investment process generally takes into consideration the general market environment, including liquidity, concentration of holders of certain trades, availability of capital, inflation, interest rates and other factors.

After identifying potential opportunities through the process described above, an analysis of individual securities that appear to be mispriced based upon the initial general assessment is conducted. If a trade opportunity is believed to exist after these assessments, fundamental analysis would then be conducted to obtain a deep understanding of the issuer's capital structure and general economic health. Fundamental analysis includes, but is not limited to, analyzing the company's filings (e.g., 10Qs, 10Ks, earnings announcements, new issues filings, etc.), analyst reports and other relevant research. A scenario analysis would then be performed to construct and optimize trades that utilize volatility products across asset classes.

Methods of Analysis

The trading for the Performance Funds will utilize both a systematic and technical as well as a fundamental approach in making investment decisions. Investment decisions are not usually "black box," but rather the software tools are operated by the Performance Funds' portfolio managers who understand how to leverage the use of these tools. If an error is discovered, programming or otherwise, in one of the tools utilized, PEAK6 will not be liable for any losses or damages caused by such error and, under normal circumstances, will not inform investors. The trade identification process varies by strategy and can include one or more types of analyses, including, but not limited to, absolute risk return, relative value, historical analysis, fundamental research, and micro and macro events. The number of issuers traded and positions vary depending upon the strategy traded and capital allocation to each strategy. The sectors traded and holding periods also vary by strategy.

Risk Management

PEAK6 has a disciplined approach to risk management that is intended to limit exposure by evaluating the different ways the Funds can lose money and absolute dollars at risk. PEAK6 reviews the Funds' overall portfolios on an ongoing basis in an effort to maximize the Funds' returns relative to their risks. PEAK6 has established specific risk guidelines for the portfolios of the Funds, which are monitored by an independent risk control manager. PEAK6 utilizes proprietary and vendor risk management software to evaluate the effect of potential movements in the market for the Funds' strategies, as well as specific positions. The software allows for real-time monitoring of potential profit and loss in the Funds' assets. The software is used, among other purposes, to allow PEAK6 to: (i) analyze risk according to each instrument, issuer, portfolio manager, industry group or option contract expiration date, each as is applicable to a Fund; (ii) evaluate the effect of potential movements in various markets on each of the Funds' portfolios as well as each individual position in each of the Funds' inventory; and (iii) attempt to hedge price exposure in an efficient manner. The software attempts to give PEAK6 the ability to identify positions that have moved outside of these parameters so that it may take corrective action.

Material Risks of PEAK6's Strategies

Investing in securities and derivatives involves a risk of loss that investors in the Funds should be prepared to bear. By investing in these Funds, investors are relying on the discretionary, market judgment of PEAK6 trading in a wide range of strategies and markets. The following is a summary of some of the material risks associated with the Funds' strategies. This summary does not attempt to describe all of the risk associated with an investment in the Funds. Although no summary can fully describe all of the risks associated with an investment in the Funds, the offering documents of the Funds contain a more complete description of the risks associated with an investment in the Funds.

No Limitation of Trading Strategies: Although PEAK6 currently intends to focus on the strategies described in each of the Funds' offering documents, it may utilize any trading strategy it deems appropriate to take advantage of market opportunities. PEAK6's trading methods may change over time as it develops new and discards old trading methods and strategies in response to market conditions and other factors. Given the broad potential range of strategies, it is not possible to precisely describe the risks associated with all such strategies.

Market Disruption: The Funds may incur major losses in the event of disrupted markets, and other extraordinary events that may not be consistent with historical pricing relationships on which PEAK6 bases a number of its trading positions. The risk of loss from a disconnect from historical prices is compounded by the fact that in disrupted markets many positions become illiquid, making it difficult or impossible to close out positions against which the markets are moving. The financing available to the Funds from their banks, dealers and other counterparties is typically reduced in disrupted markets. Such a reduction may result in substantial losses to the Funds. Market disruptions caused by unexpected credit crises, political, military and terrorist events may from time to time cause dramatic losses for the Funds, and such events can result in otherwise historically low-risk strategies performing with unprecedented volatility and risk.

Model Risk: PEAK6 will utilize quantitative valuation models in implementing the Funds' investment programs. As market dynamics shift over time, due to factors such as changed market conditions and participants, a previously highly successful model could become outdated or inaccurate, perhaps without PEAK6 recognizing that fact before substantial losses are incurred. There can be no assurance that PEAK6 will be successful in developing and maintaining effective quantitative models. Correlations among the instruments in a Fund's portfolio will change over time and could result in a loss of diversification and/or substantially more risk than PEAK6's models, methods and techniques would have estimated. PEAK6 relies on historical data as part of its risk management, but historical data can prove to be quite different than future dynamics in the market place and thus result in a materially greater risk profile than PEAK6 would expect. There is no standard, approved or accepted methodology for calculating risks in the investment management industry and PEAK6 uses its best efforts to measure and control risk, but its methodologies differ from other investment managers.

Importance of Market Judgment: Although PEAK6 relies heavily on trading technologies, software and systems to evaluate trades, PEAK6's quantitative strategies are by no means wholly systematic; the market judgment and discretion of PEAK6 are fundamental to the implementation of these strategies. The greater the importance of subjective factors, the more unpredictable a trading strategy becomes.

Hedging Risks: Although certain of the Funds' investments are intended, in part, to hedge the Funds' other holdings, there is no guarantee that they will do so to the degree predicted by theory. In fact, hedges could result in losses for the Funds. The Funds may enter into offsetting transactions in related instruments from which they expect to earn profits or hedge exposure to risk. If the value of the positions changes in a direction or manner that PEAK6 has failed to protect against with hedging transactions or if the instruments used in the Funds' hedging transactions are not as "related" as anticipated, the Funds may have an imperfect hedge. Also, the Funds may not be able to maintain a short position in an instrument, in which case the hedge is eliminated. In any of these cases, the Funds may realize significant losses on transactions.

Regulation of the OTC Derivatives Market: The Dodd-Frank Wall Street Reform and Consumer Protection Act, referred to in this brochure as the "Dodd Frank Act," became law in July 2010. The Dodd-Frank Act contains numerous far reaching reforms to the financial industry including, but not limited to, provisions that comprehensively regulate the OTC derivatives markets for the first time. Although the Reform Act will require many OTC derivative transactions previously entered into on a principal-to-principal basis to be executed in regulated markets and submitted for clearing by a regulated clearinghouse, some of the derivatives that may be traded by the Funds may not be centrally cleared. The risk of counterparty non-performance can be significant in the case of these OTC instruments, and bid-ask

spreads may be unusually wide in these heretofore substantially unregulated markets. While the Reform Act is intended in part to reduce these risks, its success in this respect may not be evident for some time after the Reform Act is fully implemented, a process that may take several years. OTC derivatives dealers will also be subject to new regulatory requirements, which will increase costs for the dealers that are likely to be passed along to market participants, including the Funds. Further certain steps are underway to regulate derivative transactions in Europe which could also increase costs of entering into derivative contracts that may adversely affect the Fund's ability to engage in transactions in derivatives.

Derivatives and OTC Risks: The Funds may make use of various derivative instruments, such as forward contracts, futures contracts (including dividend futures and single stock futures), options on the foregoing, and swaps. The use of derivative instruments involves a variety of material risks, including the extremely high degree of leverage often embedded in these instruments and the possibility of counterparty non-performance, as well as material and prolonged deviations between the actual and the theoretical value of a derivative. In addition, the markets for some derivatives can frequently have limited liquidity, which can make it difficult as well as costly for the Funds to close out positions in order either to realize gains or to limit losses. The Funds intend to purchase and/or sell derivatives that are principal-to-principal, to the extent allowable, rather than on an established exchange. As a result, the Funds will not be afforded the regulatory protections of an exchange, its clearinghouse or of a government regulator that oversees the exchange or clearinghouse if a counterparty fails to perform in a principal-to-principal transaction. The risk of nonperformance or the lack of financial soundness and creditworthiness of the counterparty can be significant in the case of principal-to-principal transactions. Further, prices of derivative instruments are highly volatile. In privately negotiated transactions, the risk of the negotiated price deviating materially from fair value is substantial, particularly when there is no active market available from which to derive benchmark prices. Many derivatives are valued on the basis of dealers pricing of these instruments. However, the price at which dealers value a particular derivative and the price which the same dealers would actually be willing to pay for such derivative should the Funds be forced to sell such position may be materially different. These differences can result in an overstatement of the Funds' Net Asset Value and may materially adversely affect the Funds in situations in which the Funds are required to sell derivative instruments.

Identification of Opportunities: The Funds' trading activities require PEAK6 to continually monitor and analyze market activity, price movements, individual transactions, the Funds' positions and a wide range of other information regarding market demand for particular options. PEAK6 may fail to identify and/or take advantage of profit opportunities and opportunities to hedge the Funds' positions. This may be due to flaws in PEAK6's overall strategy to identify these opportunities or PEAK6's inability to implement that strategy. These failures could have an adverse effect on the Funds' profits.

Dispersion: As part of an investment strategy, the Performance Funds may buy and sell exchange-traded funds, or "ETFs," futures and/or index and ETF options to hedge the Performance Funds' other holdings or positions pursuant to a "dispersion" strategy meaning short selling stock index options while simultaneously buying options on the stocks comprising the index. There is a risk that the Performance Funds' holdings or positions may under-perform the other holdings or positions to which they relate, which could result in losses.

Options: The risks associated with options trading include, but are not limited to, volatile movements in the price of the underlying instrument and misjudgments as to the future prices of the options and/or the underlying instrument. Fluctuations in option volatility can increase both the profit potential and the risk of loss from the Funds' trading. While volatility can be monitored and reacted to, there is no effective means of hedging against market volatility. Selling options creates additional risks. Due to the inherent leveraged nature of options, a relatively small adverse movement in the price of the underlying instrument may result in immediate and substantial losses to the Funds. In addition, upon selling an option, the Funds are required only to deposit a percentage of the value of the option at the time of sale as margin, thereby leveraging the investment even further. Thus, like other leveraged investments, any purchase or sale of options may result in losses in excess of the amount invested.

Credit Default Swaps: The Funds may purchase and sell credit derivatives contracts on a principal-to-principal basis, primarily credit default swaps, for hedging and risk management or speculative investment purposes. When the Funds are the buyer of a credit default swap, the Funds would be entitled to receive the agreed-upon value (or par) of a referenced debt obligation. As consideration, the Funds would pay to the counterparty a periodic stream of fixed payments during the life of the swap if no event of default has occurred, in which case the Funds would receive no benefits under the swap. In circumstances in which the Funds do not own the debt securities that are deliverable under the credit default swap, the Funds are exposed to the risk that deliverable securities will not be available in the market, or will be available only at unfavorable prices, as would be the case in a so called “short squeeze.” In some cases in which issuers default or debt is restructured, it has been unclear under the standard industry documentation for credit default swaps whether or not a “credit event” triggering the seller’s payment obligation had occurred. The creation of the Credit Derivatives Determinations Committee in April 2009 was intended to reduce this uncertainty and create uniformity across the market, although it is possible that the Credit Derivatives Determinations Committee will not be able to reach a resolution or do so on a timely basis. In either of these cases, the Funds would not be able to realize the full value of the credit default swap upon a default by the entity referenced in the credit default swap. As a seller of credit default swaps, the Funds incur leveraged exposure to the credit of the reference entity and are subject to many of the same risks if they were holding debt securities issued by the reference entity. The Funds will not have any legal recourse against the reference entity and will not benefit from any collateral securing the reference entity’s debt obligations. In addition, in the event the Credit Derivatives Determinations Committee does not establish a cash settlement auction and identify the relevant deliverable securities, the credit default swap buyer will have broad discretion to select which of the reference entity’s debt obligations to deliver to the Funds following a credit event and will likely choose the obligations with the lowest market value in order to maximize the payment obligations of the Funds. Moreover, the credit default swap market is an illiquid market. Given the recent sharp increases in volume of credit derivatives trading in the market, settlement of such contracts may also be delayed beyond the time frame originally anticipated by counterparties. Such delays may adversely impact the Fund’s ability to otherwise productively deploy any capital that is committed with respect to such contracts. Governments may also attempt to restructure sovereign debt to avoid triggering a credit event under relevant credit default swaps contracts.

Total Return Swaps: Under a total return swap, the Funds may be required to maintain collateral with the total return swap counterparty. If the Funds fail to fulfill their payment obligations or fail to post any required collateral under a total return swap, the total return swap counterparty may declare an event of default and, as a result, the Funds may be required to pay swap breakage fees, suffer the loss of the amounts paid to the counterparty and forego the receipt from the counterparty of further total return swap payments.

Illiquid Securities: A portion of the Funds’ portfolios may consist of securities and other financial instruments which are not actively and widely traded. Consequently, it may be relatively difficult for the Funds to dispose of such investments rapidly and at favorable prices in connection with withdrawal requests, adverse market developments or other factors. Illiquid securities may also be more difficult to value.

Adverse market conditions can lead to a “liquidity crisis,” *i.e.*, the inability to sell many securities at expected prices. In both 1998 and 2007-2009, this inability to sell (which occurred generally in the market) led, in certain cases, to the inability by other private funds to meet margin calls and fund withdrawals that, in turn, led to the collapse of certain portfolios as dealers cut credit lines and investors withdrew capital, further reducing the creditworthiness of the owner of the portfolio. There can be no assurance that future market conditions will not result in similar liquidity crises.

Leverage: The Funds employ leverage in the execution of certain investment strategies, both through its borrowings and through leverage typically embedded in its investment in certain derivative instruments.

Transactions in options are inherently and substantially leveraged. The use of leverage increases any losses incurred on investments in direct proportion to the degree of leverage employed. Furthermore, the credit extended to the Funds by dealers to permit it to maintain its leveraged positions can be terminated by the dealers largely in their discretion, forcing such liquidation or margin calls at potentially material losses. Changes in required collateral for swap counterparties and changes in availability of leverage from prime brokers can occur. The effect of such changes could result in losses and reduce the Funds' ability to capitalize on opportunities. The Funds may have significant counterparty exposure in both its prime brokerage arrangements and swap transactions. The Funds may actively engage in credit default swaps, OTC derivatives and other swaps with numerous counterparties. If a counterparty becomes distressed or bankrupt, the collateral posted against such swap could be lost and the cost of replacing the swap could be high, which could cause the Funds to sustain material losses.

The Onshore Trading Subsidiary is not subject to the customer margin rules of either the Federal Reserve Board or any national securities exchange because it is a registered as a broker/dealer with the SEC. The Offshore Trading Subsidiaries may enter into prime brokerage arrangements with prime brokers that make substantial leverage available to them. These arrangements may permit the Trading Subsidiaries to employ leverage to make investments substantially in excess of their equity since the Trading Subsidiaries' borrowing power is typically greater than that of a typical investor. The Trading Subsidiaries will trade based upon their assumptions regarding the availability of leverage under current margin rules and arrangements. If controlling authorities increase margin requirements or if the Trading Subsidiaries are no longer entitled to exemptions from the general margin rules or portfolio margin rules, the Funds may not be able to pursue their objectives and may be required to liquidate positions at inopportune times or at unfavorable prices.

Additional information on leverage can be obtained in the respective Fund's offering document.

Relative Value Trading: The success of relative value trading is dependent on PEAK6's ability to exploit relative mispricings among interrelated instruments. Mispricings, even if correctly identified, may not converge within the time frame within which the Funds maintain their positions and may even diverge. Even true "riskless" arbitrage—which is rare—can result in significant losses if the arbitrage is not able to be sustained until expiration (due, for example, to margin calls) and few, if any, of the Funds' positions will constitute true arbitrage as opposed to relative value trades. Relative value trading is subject to the risks of disruptions in historical price relationships, the restricted availability of credit and the obsolescence or inaccuracy of its or third-party valuation models. Market disruptions may also force the Funds prematurely to close out one or more positions. Such disruptions have in the recent past resulted in substantial losses for funds employing relative value trades.

Investments in Equity Securities: Equity securities generally represent the most junior position in an issuer's capital structure and, as such, generally entitle holders to an interest in the assets of the issuer, if any, remaining after all more senior claims to such assets have been satisfied. Holders of common stock generally are entitled to dividends only if and to the extent declared by the governing body of the issuer out of income or other assets legally available after making provision for payment of indebtedness obligations and interest, dividend and any other required payments on more senior securities of the issuer.

Arbitrage Transaction Risks: Arbitrage strategies attempt to take advantage of perceived price discrepancies of identical or similar financial instruments, on different markets or in different forms. PEAK6 may employ any one or more of these arbitrage strategies. If the requisite elements of an arbitrage strategy are not properly analyzed, or unexpected events or price movements intervene, losses can occur which can be magnified to the extent the Funds are employing leverage. Moreover, arbitrage strategies often depend upon identifying favorable "spreads," which can also be identified, reduced or eliminated by other market participants.

Convertible Arbitrage Risk: Convertible arbitrage risks include, but are not limited to, the following:

- dramatically rising interest rates or escalating market volatility may adversely affect the relationship between securities;
- convertible securities tend to be significantly less liquid and have wider bid/offer spreads making it more difficult to enter and profitably exit these trades;
- convertible arbitrage involves an inherently imperfect and dynamic hedging relationship and must be adjusted from time to time;
- convertible arbitrage involves selling securities short;
- a material change in the dividend policy of the underlying common equity may adversely affect the prices of the securities involved;
- changes in the issuer's credit rating may adversely affect the prices of the securities involved; and
- unexpected merger or other extraordinary transactions affecting the convertible security or common equity may adversely affect the prices of the securities involved.

Event Driven Trading: Due to the inherently speculative nature of event-driven trading, the results may fluctuate from period to period, and are not expected to correlate with the direction of the equity markets. The Funds' strategies could be to make an investment based on a belief that the event in question will or will not, in fact, occur. The price offered for securities of a company involved in an announced deal will generally be at a significant premium above the market price prior to the announcement, and accordingly the failure of a proposed transaction to close is generally followed by a significant decline in the value of the securities as their market price returns to a level comparable to that which existed prior to the announcement of the transaction. The number of event-driven opportunities available varies greatly and is based on many factors beyond the control of the Funds' portfolio managers. The completion of mergers, tender offers, and exchange offers can be prevented or delayed by a variety of factors, including, without limitation: opposition by the management or stockholders of the target company; intervention of a U.S. federal, state or foreign regulatory agency; efforts by the target company to pursue a "defensive" strategy; in the case of a merger, failure to obtain the necessary stockholder approvals; market conditions resulting in material changes in securities prices; compliance with any applicable U.S. federal, state or foreign securities laws; inability to obtain adequate financing; and material adverse changes in target or acquiring companies.

Futures Contracts and Futures Options: The Funds may trade futures and futures options for speculative or hedging purposes. The prices of these contracts are highly volatile. As a result of the low margin deposits normally required in futures trading, a high degree of leverage is typical. Accordingly, a relatively small price movement in a futures contract may result in substantial losses to the Funds. Commodity exchanges limit fluctuations in futures contract prices during a single day. This could prevent the Funds' portfolio managers from promptly liquidating unfavorable positions and subject the Funds to substantial losses.

Corporate Debt Obligations, Convertible Securities and High-Yield Securities: The Funds may invest in corporate debt obligations, convertible securities (which are securities that may be exchanged or converted into a predetermined number of the issuer's underlying shares or the shares of another company, or securities that are indexed to an unmanaged market index, at the option of the holder during a specified time period) and high-yield securities. Debt obligations are subject to the risk of an issuer's inability to meet principal and interest payments on the obligations, *i.e.*, credit risk. There can be no guarantee that PEAK6 will be successful in making the right selections and thus mitigate the impact of

credit risk changes on the Funds. High-yield bonds have a greater risk of loss of principal and interest, tend to fluctuate more and are in thinner and less active markets than higher-rated securities and are generally considered to be predominately speculative.

Reliance on Corporate Management and Financial Reporting: Some of the strategies implemented by the Funds rely on the financial information made available by the issuers in which the Funds invest. Neither PEAK6 nor the portfolio managers have the ability to independently verify the financial information disseminated by these issuers; they are dependent upon the integrity of both the management of these issuers and the financial reporting process in general. Recent events have demonstrated material losses can occur as a result of corporate mismanagement, fraud, and accounting irregularities.

Short Sales: The Funds may engage in short selling. Securities sold short must later be replaced or offset by purchases, and therefore any appreciation in the market price of these securities therefore results in a loss. Purchasing securities to close out short positions can itself cause their market price to rise further, thereby increasing losses. Furthermore, in the case of short sales of securities in which the Funds do not hold a long position, the Funds may prematurely be forced to close out a short position if a counterparty demands the return of such borrowed securities. There can be no assurance that the securities necessary to cover a short position will be available for purchase. Short sales have been subject to emergency bans and additional governmental regulation in the recent past. During the severe market disruptions following the bankruptcy of a number of Lehman Brothers entities in September 2008, securities regulators in a number of countries imposed bans on the short selling of financial sector equities. Further, the SEC has adopted a revised “uptick” rule and a new pan-European short selling regime is effective in the EU. There can be no assurance that such governmental regulations or actions will not materially adversely affect the Funds.

Transaction Volume and Market Liquidity: A decline in cash flows into the U.S. capital market or a slowdown in investment activity by mutual funds and other institutional and retail investors, as well as other factors, may cause a decline in transaction volumes in the U.S. market places. The Funds’ investment activities may be materially affected by the volume of transactions in the U.S. markets. Higher market volume typically provides greater opportunities to engage in revenue-generating transactions. Therefore, a decline in transaction volumes may adversely affect the Funds’ profit opportunities. A disruption in the exchanges on which instruments trade, such as a technical malfunction, a terrorist attack or a bankruptcy, is possible and could materially adversely affect the liquidity of the Funds. Moreover, large losses and/or forced liquidations of other hedge funds, commodity pools and/or trading desks at banks or investment banks could also materially adversely affect the liquidity of the Funds. In general, the Funds rely on a properly functioning financial system to conduct its business. If the liquidity of the market decreases substantially this may result in significant losses on transactions.

Currency Risks: The Funds value their assets in U.S. dollars. Unless the Funds hedge their currency exposure, the value of their underlying assets will fluctuate with U.S. dollar exchange rates as well as with price changes of investments in the various local markets and currencies. An increase in the value of the U.S. dollar compared to the other currencies in which the Funds make investments will therefore reduce the effect of increases and magnify the U.S. dollar equivalent of the effect of decreases in the prices of the securities in their local markets. Conversely, a decrease in the value of the U.S. dollar will have the opposite effect. For the Achievement Funds, PEAK6 expects to attempt to reduce or minimize the effect of fluctuations in the exchange rate by entering into spot or forward contracts, currency options and currency futures contracts or other financial investments to hedge such risks (“Currency Hedge”). There can be no assurance that a Currency Hedge will be successful or will not itself generate significant losses, but a Currency Hedge will likely prevent the Funds from benefiting from any gains associated with such currency exchange rate fluctuations.

Foreign Investments and Emerging Markets: Non-U.S. investments made by the Funds may involve certain special risks, including, among others: political or economic instability; the unpredictability of international trade patterns; the possibility of foreign governmental actions such as expropriation,

nationalization or confiscatory taxation; the imposition or modification of exchange controls; price volatility; the imposition of withholding taxes on dividends, interest and gains or foreign taxes; liquidity in particular instruments, including currencies and sovereign debt; fluctuations in currency exchange rates and exchange control regulations; and differences in financial, accounting, regulatory and legal standards and principles. These risks are particularly acute for investments in emerging markets where regulatory and governmental control of markets is new and untested. Generally, investment in emerging markets involves less publicly available information, more volatile markets, less regulation of the securities market, less favorable tax consequences, and greater risk of rapid inflation, unstable currency, war and expropriation of assets. In addition, emerging markets typically are not as efficient as more established markets and tend to be less liquid. Accounting practices and financial reporting standards may not be as stringent in emerging markets, which may lead to greater potential for fraud or financial mismanagement. Lastly, the value of emerging market debt can be expected to be extremely sensitive to changes in interest rates worldwide and, in particular, in the country of the relevant issuer. Emerging market debt issuers and their obligations are not generally rated by any credit rating agency, and a significant proportion of such issuers and obligations would likely fall in the lowest rating category if they were rated.

Non-Diversification: Although PEAK6 may allocate the Funds' assets among one or any number of different strategies, techniques and products and portfolio managers, the Funds' portfolios may not be diversified among geographic areas, types of securities or a wide range of issuers. Accordingly, the investment portfolios of the Funds may be subject to more rapid change in value than would be the case if the Funds were required to maintain a wide diversification.

Suspensions of Trading: Securities exchanges typically have the right to suspend or limit trading in any instrument traded on the exchange. A suspension would render the Funds temporarily or permanently unable to liquidate their positions and could thereby expose the Funds to losses.

Securities Lending: The Funds may borrow and lend securities on an on-going basis in the regular course of its investing. Third parties that borrow securities from the Funds may not be able to return these securities on demand, possibly causing the Funds to default on their obligations to other parties, and may also default on the payment obligations owed to the Funds in connection with such securities loans, potentially resulting in substantial losses to the Funds. The Funds routinely sell securities short and have a material risk that they cannot maintain their short positions which would force the Funds to buy the securities in the open market. Such situations often result in the security significantly moving up in price, thereby causing a material loss for the Funds. Derivative positions on such securities can be similarly affected.

Catalyst Motivated Strategies: Investment strategies that rely upon catalyst events are subject to the risk that the catalyst or event that was anticipated to occur does not occur, causing losses to the Funds.

Unannounced Transactions: The Funds may make speculative purchases of securities. These may include securities which the Funds believe to be undervalued by the marketplace, securities in which a significant position has been acquired by one or more other persons, or securities of an issuer in the same or a related industry as other companies that have been the subject of an attempted acquisition. If the Funds purchase securities in anticipation of an acquisition attempt or reorganization which does not occur, the Funds may sell the securities at a substantial loss. In addition, when securities are purchased in anticipation of an acquisition attempt or reorganization, substantial time may elapse between the Funds' purchase of securities and the acquisition or reorganization. In such cases, a portion of the Funds' capital would be committed during this period to the securities purchased, and the Funds would incur an interest expense on the funds it borrowed to purchase the securities.

Restricted Securities: The Funds may invest in restricted securities, which are securities that cannot be offered for public resale unless registered under the applicable securities laws or that have a contractual restriction that prohibits or limits their resale (*i.e.*, Rule 144A securities). Such investments may include private placement securities that have not been registered under the applicable securities laws. Rule 144A

securities are restricted securities that can be resold to qualified institutional buyers but not to the general public and therefore may be considered to be illiquid.

Distressed Securities: The Funds may invest in “distressed” securities, which are claims and obligations of U.S. and non-U.S. entities that are experiencing significant financial or business difficulties. Investments may include loans, loan participations, trade claims held by trade or other creditors, stocks, partnership interests and similar financial instruments, executory contracts and options or participations therein not publicly traded. The Funds may lose a substantial portion or all of their investment in a distressed environment or may be required to accept cash or securities with a value less than the Funds’ investment. Among the risks inherent in distressed securities are: (1) it frequently may be difficult to obtain information as to the true condition of the issuers, (2) it may be adversely affected by state and federal laws relating to, among other things, fraudulent conveyances, voidable preferences, lender liability and the bankruptcy court’s discretionary power to disallow, subordinate or disenfranchise particular claims, (3) market prices of such instruments are also subject to abrupt and erratic market movements and above average price volatility and the spread between the bid and asked prices of such instruments may be greater than normally expected, (4) litigation is sometimes required which can be time-consuming and expensive, and can frequently lead to unpredicted delays or losses, and (5) to the extent the Funds invest in distressed sovereign debt obligations, they will be subject to additional risks and considerations not present in private distressed securities, including the uncertainties involved in enforcing and collecting debt obligations against sovereign nations, which may be affected by world events, changes in U.S. foreign policy and other factors outside of the control of PEAK6.

Concerns Regarding the Downgrade of the U.S. Credit Rating and the Sovereign Debt Crisis in Europe: On August 5, 2011, Standard & Poor’s lowered its long term sovereign credit rating on the United States of America from AAA to AA+. While U.S. lawmakers reached agreement to raise the federal debt ceiling on August 2, 2011, the downgrade reflected Standard & Poor’s view that the fiscal consolidation plan within that agreement fell short of what would be necessary to stabilize the U.S. government’s medium term debt dynamics. This downgrade could have material adverse impacts on financial markets and economic conditions in the United States and throughout the world and, in turn, the market’s anticipation of these impacts could have a material adverse effect on the Funds’ financial condition and liquidity. Because of the unprecedented nature of negative credit rating actions with respect to U.S. government obligations, the ultimate impacts on global markets and the Funds’ business, financial condition and liquidity are unpredictable and may not be immediately apparent.

In addition, global markets and economic conditions have been negatively impacted by the ability of certain European Union (“EU”) member states to service their sovereign debt obligations. The continued uncertainty over the outcome of the EU governments’ financial support programs and the possibility that other EU member states may experience similar financial troubles could further disrupt global markets. In particular, it has and could in the future disrupt equity markets and result in volatile bond yields on the sovereign debt of EU members. These factors could have an adverse effect on the Funds.

DISCIPLINARY INFORMATION

Not applicable.

OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Certain personnel of PEAK6, including, but not limited to Matthew Hulsizer and Jennifer Just, both Co-Founders of PEAK6 LLC, provide administrative, accounting, legal, operations, risk management, and other executive management services to affiliates of PEAK6. Further, both Co-Founders of PEAK6 LLC are Managers of ALEPH6 LLC, which manages PEAK6 LLC, PEAK6 Investments, PEAK6, and several affiliates, including, but not limited to, PEAK6 Capital Management LLC (“PEAK6 Capital”). PEAK6 Capital is a broker-dealer and member of the Chicago Board Options Exchange, Inc. and other exchanges.

PEAK6 Capital trades proprietarily and also acts as an options market maker. Other PEAK6 affiliates include OptionsHouse, LLC, a retail brokerage operation, and Apex Clearing Corporation, a privately held clearing services firm, PEAK6 Opportunities Management LLC, manager to a proprietary investment fund owned by certain partners of PEAK6 Investments' that focuses on venture capital, private equity investments, and, also PEAK6 Holdings, L.P. which was set up for tax and benefit purposes for certain limited partners.

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

Code of Ethics

As an SEC-registered adviser, PEAK6 has adopted a Code of Ethics under SEC Rule 204A-1 that is applicable to all PEAK6 employees. The Code of Ethics contains policies and procedures that, among other things:

- Require employees to observe fiduciary duties owed to clients.
- Prohibit employees from taking personal advantage of opportunities belonging to Clients.
- Place limitations on personal trading by employees and impose pre-clearance and reporting obligations with respect to this trading except for certain types of securities.
- Impose limitations on the giving or receiving of gifts and entertainment.
- Restrict employees' outside business activities.
- Prohibit disclosure by employees of confidential information relating to PEAK6 and its Clients.
- Prohibit the misuse of material, non-public information by PEAK6 or its employees.

The Code of Ethics defines material and nonpublic information and the restrictions on trading on the basis of material nonpublic knowledge and sets forth the responsibilities of all access persons relative to insider trading.

All principals and employees of PEAK6 must acknowledge understanding and agree to comply with the Code of Ethics initially upon employment and must certify on an annual basis that they have read and understand the Code of Ethics and have complied with it.

PEAK6's Code of Ethics is available to investors and potential investors and other Clients upon request.

Conflicts of Interest

In its role as Investment Adviser, sub-adviser or manager, PEAK6 and its principals and employees make investment decisions for its Clients. PEAK6 and its principals and employees may trade and invest for their own accounts and/or the accounts of others and such individuals may from time to time have proprietary investments in which PEAK6's Clients may trade and invest simultaneously and/or may take investment positions that are different from or opposite to the positions taken by PEAK6's Clients. To address the conflicts of interest posed by this type of trading, PEAK6 maintains the Code of Ethics, as described above. Specifically, the Code of Ethics requires principals and employees who wish to effect a transaction in any initial public offering or private placement and, with certain exceptions, in any publicly

traded securities, to first obtain pre-clearance for the transaction. Additionally, the Code of Ethics requires principals and employees to submit initial, quarterly and annual transaction and holding reports.

The offering materials for each of the Funds contain a more complete description of what PEAK6 believes to be the most significant conflicts of interest associated with an investment in the respective Fund.

Relationship with PEAK6 Investments: PEAK6 Investments owns, operates or is involved in several businesses, including but not limited to an on-line brokerage firm, a clearing firm, a private investment fund and a proprietary trading firm. PEAK6 Investments will likely be engaged in other businesses in the future. PEAK6 makes investments for its Clients independently of these businesses. However, PEAK6's Clients may unknowingly and coincidentally trade with a PEAK6 affiliate on various stock, futures, or option exchanges in its ordinary course of business. PEAK6 and its affiliates have established information barriers between PEAK6 and other existing PEAK6 Investments entities, as well as between the Achievement Funds and the Sub-Advised Funds on the one hand, and the Performance Funds on the other hand, to limit access to information regarding positions and trading activities. PEAK6 has not established an information barrier between the Achievement Funds and the Sub-Advised Funds given that PEAK6 trades portfolios on behalf of the Sub-Advised Funds using alpha signals and certain other information, including but not limited to, research, obtained from the Achievement Funds. The Achievement Funds and the Sub-Advised Funds do, however, take different approaches to applying strategies and investment guidelines.

Principal/Cross Trades: The federal securities laws prohibit an investment adviser from engaging in a principal trade, i.e., a transaction between the adviser or an affiliate and a client, without client consent. In general, PEAK6 does not knowingly engage in principal trades, however, any principal trades knowingly engaged in by PEAK6 will be completed in compliance with applicable law. Further, the Funds or Trading Subsidiaries may unknowingly trade with affiliates of PEAK6, particularly through automatic execution facilities on various exchanges.

Mr. Hulsizer's Activities: Mr. Hulsizer is involved in the planning of, and is likely to be involved in the management of, certain Other Funds (defined below). Mr. Hulsizer is also actively involved in setting the overall business plan and strategy of PEAK6 Investments. New strategies or business lines that PEAK6 Investments might pursue in the future could be competitive with such Other Funds' activities or create actual or potential conflicts of interest with those Other Funds. Further, Mr. Hulsizer may take action or give instructions to reduce risk exposures of all accounts of any affiliate of PEAK6. In taking actions with respect to risk management or in overseeing PEAK6 Investments' overall business plan and strategy, Mr. Hulsizer may intentionally or inadvertently pursue investment or trading opportunities for the proprietary accounts of PEAK6 affiliates which effectively favor those accounts over, or are otherwise materially adverse to, the applicable Other Funds. Investors and prospective investors must understand that such a situation would create a conflict of interest with PEAK6's responsibility to act in the best interests of those Other Funds and its inherent incentive to act in the best interest of the proprietary accounts of PEAK6 affiliates.

Sub-Advised Funds: While separate portfolio managers are currently utilized by PEAK6 to trade and manage the investments and portfolio of the Funds and the Sub-Advised Funds, there is an inherent conflict of interest in PEAK6's provision of services to the Funds and the Sub-Advised Funds. The Sub-Advised Funds will receive shared services from the same personnel that PEAK6 receives these services from, resulting in a diversion of management time from the Funds. Further, given that PEAK6 trades portfolios on behalf of the Sub-Advised Funds using alpha signals and certain other information, including but not limited to, research, obtained from the Achievement Funds, the Sub-Advised Funds and the Achievement Funds may have interests or investments that are the same as or similar to, or opposed to, the other. Further, positions taken by the Sub-Advised Funds may dilute or otherwise negatively affect the values, prices or investment strategies associated with positions held by the Achievement Funds

and may cause the Achievement Funds to incur higher costs than they otherwise would. There is no information barrier in place between the Achievement Funds and the Sub-Advised Funds.

Furthermore, certain of the Sub-Advised Funds, unlike the Funds, may not charge performance fees, which may create an incentive for PEAK6 to manage the Funds in a more speculative manner than the Sub-Advised Funds. In the event that the fees and other remuneration to PEAK6 from certain Sub-Advised Funds are higher than those generated by the Funds, PEAK6 would have financial or other incentives to favor such Sub-Advised Funds over the Funds. Additionally, the investors in the Sub-Advised Funds have access to more frequent withdrawal dates, which could cause PEAK6 to allocate more liquid positions to the Sub-Advised Funds in order to meet potential withdrawal requests. Investors in a Sub-Advised Fund that offers more frequent liquidity than the Funds would also have an advantage over the investors in the Funds with respect to liquidating investments in the event of a market downturn or otherwise, which withdrawals could negatively impact the Fund's portfolio if a Sub-Advised Fund is forced to liquidate assets which in turn depresses the prices of the Fund's assets. For these reasons, among others, PEAK6 may have a conflict of interest between acting in the best interests of the Funds and the Sub-Advised Funds.

Other Activities of the Investment Manager; Insider Information: PEAK6 manages or sub-advises funds, accounts and the investment activities of other investment vehicles ("Other Funds"). Other Funds may utilize the same or similar investment strategies, techniques and products as the Clients, and in many circumstances, may compete with the Clients. In the event that the compensation to PEAK6 from the Other Funds is higher than those generated by the Clients, PEAK6 would have financial or other incentives to favor such Other Funds over the Clients. Additionally, personnel of PEAK6 may come into possession of material non-public information or other confidential information with respect to public securities held by the Clients or the Other Funds. In these cases, PEAK6 would be limited in its ability to act upon any such material non-public information or other confidential information to the extent required by applicable law. As a result, PEAK6 may be prevented from initiating a transaction for the Clients that it otherwise might have initiated or may be prevented from liquidating an existing open position for the Clients when it otherwise might have done so.

Allocation of Investment Opportunities; Management Time: PEAK6 endeavors to act in a manner that it considers fair, reasonable and equitable in allocating investment opportunities to the Funds, but PEAK6 has no specific obligation concerning the allocation of time, effort or investment opportunities to the Funds or any restrictions on the nature or timing of investments for the account of the Funds, the Other Funds or PEAK6's own account, if any. Orders for each of the Achievement Funds and the Performance Funds are placed separate from one another, are placed daily and are placed frequently. Further, PEAK6 rebalances the Sub-Advised Funds, each independently of one another, at a minimum of once per week, and takes separate appropriate risk management steps when deemed appropriate. PEAK6 may change these practices at any time.

PEAK6 is not required to accord exclusivity or priority to any client in the event of "limited availability" investment opportunities. PEAK6 may determine that an investment opportunity is appropriate for the Achievement Funds and not the Performance Funds or for an Other Fund and not for the Achievement Funds and/or the Performance Funds. To the extent that Other Funds invest in a particular investment, the ability of the Funds to invest in the same investment may be adversely affected by any limitation on availability of the investment. From the standpoint of the Funds, simultaneous identical portfolio transactions for the Funds and Other Funds may tend to decrease the prices received, and increase the prices required to be paid, by the Funds for their portfolio sales and purchases. In addition, PEAK6 may be required to choose between either of the Funds and Other Funds in allocating investments. PEAK6 assigns primary responsibility for the management of the assets of each of the investment funds and accounts it manages or sub-advises to one or more portfolio managers and/or traders. To the extent the portfolio managers and/or traders of one of the Funds generates or receives an investment idea or opportunity through their own efforts or sources, such portfolio managers and/or traders do not share the

investment idea or opportunity with the portfolio managers and/or traders of the other Fund on account of the applicable information barriers. The failure of a Fund's portfolio managers and/or traders to receive such information may have an adverse effect on that Fund.

Competition from Affiliates: The Clients may make investment decisions utilizing proprietary trading technology. Affiliates of PEAK6 also utilize the proprietary trading technology, and therefore it is possible that such affiliates may be trading in securities in competition with or contrary to the trading decisions made for the Clients.

Trade Errors: It is PEAK6's policy to be as careful as possible in making and implementing investment decisions. Unfortunately, however, in the course of carrying out trading and investing responsibilities, PEAK6 will make inevitable "trading errors" in executing specific trading instructions. Examples of trade errors include: buying or selling a security at a price or quantity that is inconsistent with the specific trading instructions generated by a particular strategy; buying rather than selling a particular security and vice versa; buying or selling securities not authorized by the Client; and buying or selling securities not within the respective Clients' investment objectives or strategies. PEAK6 generally believes that such errors occur due to 'ordinary negligence' on the part of PEAK6, as such trading errors are inevitable given the frequency of trading that takes place in the normal and ordinary course of business for the Clients. Therefore, PEAK6 will generally treat all trading errors, including those which result in losses and those which result in gains, for the accounts of the Clients. However, if trading errors are the result of PEAK6's fraud, gross negligence or willful misconduct, the Clients will receive the benefit of any gains and PEAK6 will assume any losses. Trade errors are not to be resolved through soft dollar or other reciprocal arrangements with broker-dealers.

Valuation: PEAK6 is responsible for reporting its portfolio valuations and assigning valuations to the Funds' and the Trading Subsidiaries' portfolio investments for the purposes of determining the Net Asset Value of the Funds and Trading Subsidiaries. Although PEAK6 does so pursuant to established general principles contained in its written valuation policies and procedures, an incentive exists to obtain higher valuations for such investment assets since the compensation it receives from the Funds is based on such valuations. The applicable administrator calculates the Net Asset Value of the Funds and the Trading Subsidiaries but is not responsible for determining the final value of the Funds or the Trading Subsidiaries. Further, regardless of the general principles contained in PEAK6's written valuation policies and procedures, in all instances, the respective offering documents of each of the Funds, including any operating agreements, prevail with respect to the manner in which the valuation methodology of assets is applied.

General Principles of Valuation Methodology

Securities which are listed on a securities exchange or reported in the National Market System shall be valued at the closing price of the primary exchange or the consolidated tape, except securities options and index options which shall be valued at the mean between the "bid" and "asked" prices at the close of trading on such date. Securities which are mutual funds shall be valued at their daily closing net asset values, as such net asset values are (i) reported by the relevant mutual fund family, (ii) published in recognized newspapers such as *The Wall Street Journal* and *Financial Times* or (iii) disseminated by quotation services such as Reuters or Bloomberg. Commodity interests which are traded on a United States or foreign exchange shall be valued at their last reported settlement price on the date for which the valuation is made on the exchange on which such interests were purchased or sold. Commodity interests not so traded shall be valued at the mean between their last "bid" and "asked" prices on the dates of which the value is being determined as reported by any reliable source selected by PEAK6. Currency forwards shall generally be valued as quoted by dealers or other sources of price information that PEAK6 considers reliable at the close of trading on the date of determination. When the securities of an issuer trade both as shares on a foreign exchange and as depositary receipts on one or more other foreign or United States exchanges, such securities will be valued at the price established on the exchange on which the price is most indicative of fair value as determined by PEAK6. All other assets shall be valued at the fair market

value thereof as determined in good faith by PEAK6, and such value, as well as other values assigned to securities and other Funds or Trading Subsidiary property by PEAK6, shall be final and conclusive. PEAK6, in valuing investments, may select such other methods of valuation as it in good faith shall deem appropriate under the circumstances and, if the valuation date is not a business day, utilizing values as of the close of business on the last business day preceding the valuation date, or such other time determined by PEAK6. Without limiting the generality of the foregoing, PEAK6 may adjust valuations to reflect restrictions on marketability, illiquidity in certain investments, any commission or other accrued transaction fee that would be incurred in liquidating an investment position. Prospective investors should be aware that situations involving uncertainties as to the valuation of portfolio positions could have an adverse effect on the Funds' and the Trading Subsidiaries' Net Asset Value if PEAK6 judgments regarding appropriate valuations should prove incorrect. In the absence of bad faith or manifest error, the Net Asset Value calculations are conclusive and binding on all Fund investors.

Separately, PEAK6 is not responsible for assigning valuations to the Sub-Advised Funds' portfolios of investments for the purposes of determining the Net Asset Value of the Sub-Advised Funds.

Side Letters: PEAK6 may cause the Funds to accept investments with terms that are different than what the Funds set forth in the respective offering documents. Such arrangements may be memorialized in side letters or similar written agreements with certain investors.

BROKERAGE PRACTICES

In selecting brokers, it is PEAK6's policy to place portfolio transactions with brokers who will execute transactions as efficiently as possible and at the best price. The majority of the trades executed on behalf of the Performance Funds by the Onshore Trading Subsidiary will be executed without using third party brokers other than to access exchanges. Trades executed on behalf of the Performance Funds by PEAK6 Cayman Management Ltd. require the use of third party brokers to execute trades. No separate fees or brokerage commissions will be charged by or paid by the Performance Funds to the Onshore Trading Subsidiary or PEAK6 Cayman Management Ltd. Further, where permitted, the Onshore Trading Subsidiary accesses certain exchanges through the memberships of an affiliated broker-dealer. Accessing certain exchanges via this affiliate is designed to keep execution costs low, reduce commission costs paid, and enhance the speed of execution as compared with executing through other third party brokers. Although substantially all of the Performance Funds' transactions are expected to be executed by the Onshore Trading Subsidiary and PEAK6 Cayman Management Ltd., PEAK6 may place transactions for the Performance Funds with other brokerage firms if PEAK6 believes such other firms offer more efficient or better execution or prices.

The Achievement Funds will pay brokerage commissions to the third party brokers that execute transactions for the Achievement Funds or the PEAK6 Achievement Master Fund Ltd. PEAK6 believes that the Achievement Funds will have high turnover relative to many other private funds and the Achievement Funds will thus pay high commissions and bid-ask spread costs to brokers. The Achievement Funds and PEAK6 Achievement Master Fund Ltd. will engage in both "low touch" orders (*i.e.*, electronic trading) and "high touch" orders (*i.e.*, phone to phone orders). High touch orders are significantly more expensive than low touch orders. The proportion of high versus low touch transactions may vary considerably.

With respect to the Sub-Advised Funds, PEAK6 leverages existing broker relationships utilized by the Achievement Funds and/or the adviser of the Sub-Advised Funds, and utilizes the following general principles when selecting brokers to execute transactions for its Clients.

PEAK6 has complete authority over the selection of the brokers used to effect Client transactions, has a policy to approve new brokers prior to use for execution and keeps a list of approved brokers. In effecting transactions, PEAK6 will place orders in accordance with its best execution policies, which are

not based solely on the lowest possible commission cost alone but also take into account a number of factors that may include, but are not limited to:

- the broker's commission rates and other transactional charges;
- the broker's financial stability and responsibility, reputation, reliability and responsiveness to PEAK6;
- the broker's ability to execute trades, willingness to execute difficult transactions, special execution capabilities and efficiency of execution;
- the range and quality of the services provided to PEAK6's clients, including back office and processing capabilities; and
- the brokers' professional services, including clearance procedures and ability to provide supplemental performance, statistical and other research information for consideration, analysis and evaluation by PEAK6 and the success of prior research recommendations.

When appropriate, under PEAK6's discretionary authority and consistent with its duty to seek best execution, PEAK6 may enter into commission sharing arrangements and or direct certain trades for its Clients to broker-dealers who provide PEAK6 with brokerage and research products and services including but not limited to broker and third party research, opportunities to meet with management of companies and market data products. The commissions used to acquire brokerage and research services are known as "soft dollars". PEAK6 will determine in good faith that the amount of commission charged is reasonable in relation to the value of the brokerage, execution, research, sales and other services provided by a broker for the benefit of its Clients, viewed in terms of the particular transaction or PEAK6's overall responsibilities to all of its Clients, before directing brokerage business to that broker. The research obtained with soft dollars is not necessarily used for the specific account that generated the soft dollars. In addition, research may not necessarily benefit all accounts paying commissions to such brokers. Accordingly, while PEAK6 cannot readily determine the extent to which commission rates charged by a broker reflect the value of their research services, PEAK6 expects to assess the reasonableness of commissions in light of the total brokerage and research services provided by each particular broker. Certain brokers may state in advance the amount of brokerage commissions they require for certain services.

The research services provided by brokers may relate to specific transactions placed with such brokers, but for the most part the research services consist of a wide variety of information useful to PEAK6 in connection with its responsibilities on behalf of its Clients. This material might relate to general economic, interest rate and stock market conditions as well as information on specific companies and industries. It is the policy of PEAK6 to limit soft dollar credit payments to those that qualify under Section 28(e) of the Securities Exchange Act of 1934. PEAK6 follows policies and procedures that it believes are reasonably designed to ensure that soft dollars are used in a manner that is consistent with seeking best execution and that services outside the safe harbor are identified. The policies and procedures include a process whereby soft dollar arrangement requests are reviewed, with the assistance of outside counsel as necessary, to ensure whether the research to be provided through the arrangement complies with the requirements of Section 28(e), as well as record keeping and monitoring detailing the amount of soft dollar credits paid with respect to each soft dollar arrangement.

When PEAK6 uses brokerage commissions to obtain soft dollar services, it receives a benefit because it does not have to produce or pay for the research, products or service. The use of commissions to pay for research and brokerage services may present PEAK6 with conflicts of interest. PEAK6 may have an incentive to select a broker-dealer based on its interest in receiving the research or other products or services rather than Clients' interest in receiving most favorable execution.

PEAK6 does not take into account the receipt of client referrals when selecting broker-dealers and PEAK6 does not recommend, request, require or permit Clients to direct brokerage.

The brokers engaged by PEAK6 may sponsor seminars, hold meetings or provide other capital introduction services to introduce PEAK6 and the Funds to consultants and investors seeking exposure to the Funds. PEAK6 directs brokerage to such brokers in the ordinary course of its business and not with intent to pay the broker for providing the capital introduction services.

PEAK6 has formed a best execution committee, which meets quarterly to fulfill its obligations to periodically and systematically review the execution performance of, and value of the other services received from, third party brokers. The committee reviews execution related data which includes, but is not limited to, reports provided by the executing broker, if any, and reports generated by PEAK6. The best execution committee also assesses the value of the capital introduction services, among other services provided, if any, in relation to the amount of commissions directed to the entity that provided capital introduction services.

REVIEW OF ACCOUNTS

The Chief Investment Officer (“CIO”) of each of the Funds conducts regular and ongoing reviews of the trading activity of the Funds to confirm the trading is consistent with stated investment objectives, strategies and restrictions of the Funds.

PEAK6 and/or the administrator for the Funds provide investors in the Funds with monthly unaudited performance updates, periodic performance information, annual audited financial statements, and income tax reporting information after the end of each calendar year. PEAK6 also may provide investors in the Funds with additional information, such as, but not limited to, estimated performance, leverage, capital allocations, risk limits, returns by strategy, and other summary information upon request.

Specific requests for trade activity, positions, or other information will be evaluated by PEAK6. Given that PEAK6 honors reasonable requests for such information from investors in the Funds and prospective investors, some investors in the Funds and prospective investors will possess more information than others and may make investment decisions based on the trade activity, position, or other information provided. In general, if PEAK6 releases such information to investors in the Funds and prospective investors, it will release the same information to any investor in the Funds if requested. However, if PEAK6 does not believe that a request for information is reasonable, it reserves the right to refuse the request.

CLIENT REFERRALS AND OTHER COMPENSATION

PEAK6 does not receive any economic benefit for providing investment advice or advisory services other than from the Funds or Other Funds. PEAK6 may engage placement agents to solicit investors for the Funds pursuant to a written selling agreement and in compliance with applicable securities laws, including requiring delivery of the relevant Fund’s offering document and other materials such as this brochure. PEAK6 may compensate certain placement agents pursuant to a written agreement. PEAK6 may pay a placement agent a monthly fee or a portion of the advisory fees or revenues earned from providing advisory services to an investor referred to us by a placement agent. The payment of fees may cause the placement agent to recommend PEAK6 over another adviser that does not pay solicitation fees. The costs of any such fees are paid entirely by PEAK6 and, therefore, do not result in any additional charges to investors. However, an investor introduced to the Funds by a placement agent may be charged an asset-based distribution fee (*i.e.* sales load) equal to the percentage of its gross subscription. Any such fee will be disclosed in advance in a separate disclosure statement provided by the third party or by other means.

CUSTODY

Under the SEC's rule governing custody of client assets, PEAK6 is deemed to have custody of the securities and other assets of the Funds even though PEAK6 does not physically hold the securities and other assets and these securities and assets are not held or registered in PEAK6's name. PEAK6 is exempt from many of the provisions of the custody rule because the Funds are audited in accordance with U.S. generally accepted accounting principles on an annual basis by an independent public accountant that is registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board. Audited financial statements are distributed to each investor in the Funds within 120 of the end of each Fund's fiscal year.

INVESTMENT DISCRETION

Under the governing documents of the Funds, PEAK6 has complete investment authority with respect to all securities owned by the Funds and there are no limits on this authority. This authority is conveyed by investors subscribing to the Funds in their subscription agreements and in the Funds' governing documents. In addition, PEAK6 has authority to direct the trading activities of the Trading Subsidiaries, including determining which securities are bought and sold, the total amount to be bought and sold, which broker or dealer will effect such transactions and the commission rates at which the transactions will be effected.

In addition, PEAK6 has been given authority to trade portfolios on behalf of certain Sub-Advised Funds pursuant to the terms and conditions established by the respective advisers. It is expected that PEAK6 will be given substantially similar authority in the future with respect to other Sub-Advised Funds.

VOTING CLIENT SECURITIES

PEAK6 exercises proxy voting authority on behalf of its Clients. In voting proxies, PEAK6 is guided by general fiduciary principles and PEAK6's goal is to act prudently and solely in the best interests of Clients. PEAK6 does not allow Fund investors or Sub-Advised Funds to direct the vote on proxies.

In furtherance of PEAK6's goal to vote proxies in the best interest of its Clients, PEAK6 generally utilizes a third party proxy voting service to assist in voting and recordkeeping of proxies. This service may also help mitigate conflicts of interest that may arise between PEAK6's own interests and those of the relevant client before voting proxies on its behalf. The third party service will vote in favor of proposals that are a standard and necessary aspect of business operations that is believed to not typically have a significant effect on the value of an investment. Such proposals include:

- name changes;
- election of directors;
- ratification of auditors;
- maintenance of current levels of directors' indemnification and liability;
- increases in authorized shares (common stock only) if there is no intention to significantly dilute shareholders' proportionate interest; and
- employee stock purchase and ownership plans.

In addition, the third party service may provide recommendations for (for, against or abstain) other proposals pursuant to their guidelines, including, but not limited to:

- executive compensation;
- shareholder rights plans (poison pills);
- reincorporation; and
- exclusive forum provisions.

Further, the third party service generally does not provide recommendations for the following types of events:

- noteholder meetings;
- bondholder meetings;
- consent meetings;
- bankruptcy meetings; and
- corporate action proposals.

In the event the third party service does not provide a recommendation, or PEAK6 chooses to vote contrary to a third party service recommendation, it is PEAK6's policy generally to vote against any management proposals that PEAK6 believes:

- could prevent companies from realizing their maximum market value;
- may insulate companies and/or management from accountability to shareholders; or
- should be voted against for prudent regulatory compliance.

Recordkeeping of PEAK6's rationale along with evidence of advance approval by the applicable CIO, or their delegates, with respect to the Funds, and a Portfolio Manager with respect to the Sub-Advised Funds, will be maintained by PEAK6's Director of Operations. PEAK6 will seek to avoid possible conflicts of interest in connection with proxy voting when it votes, either in the event the third party service does not provide a recommendation or in the event PEAK6 chooses to vote contrary to the third party service recommendation. A potential conflict of interest could exist, for example, where PEAK6, or one of its employees, is affiliated or associated with the issuer, or PEAK6 holds the issuer's securities on a proprietary basis. In the event of a conflict of interest, Fund conflicts will be escalated to PEAK6's Chief Operating Officer ("COO") and Sub-Advised Fund conflicts will be escalated to PEAK6's Head of Trading Management.

Where a CIO, or its delegate, or a Portfolio Manager determines that a vote should be cast other than as recommended by the third party service, and there is the potential for a conflict of interest, the Chief Operating Officer, and the Head of Trading Management with respect to the Sub-Advised Funds, will be consulted and a determination will be made as to whether one or more of the following steps will be taken:

- inform Fund investors or the Sub-Advised Funds of the material conflict and PEAK6's voting decision;

- discuss the proxy vote with Fund investors or the Sub-Advised Funds;
- fully disclose the material facts regarding the conflict and seek the Fund investors' or Sub-Advised Funds' consent to vote the proxy as intended; and/or
- seek the recommendation of an independent third party.

Any employee who brings forth a request to vote a proxy other than as recommended by the third party service and who has a direct or indirect pecuniary interest in any issue presented for voting, or any relationship with the issuer, must inform PEAK6's Chief Compliance Officer and recuse him or herself from decisions regarding that proxy vote. Under PEAK6's proxy policy a CIO, or its delegates, or Portfolio Manager, as applicable, will evaluate such employee request and decide whether to proceed to vote other than as recommended by the third party service. If it is decided that the vote should be other than as recommended, the CIO, or its delegates, or Portfolio Manager will document the steps taken to evidence that the proxy vote or abstention was in the best interest of the client and not the product of any material conflict. PEAK6 also maintains a record of proxy statements received, votes cast on behalf of each Client and any documents prepared by PEAK6 that were material to how a proxy was voted or the basis for a voting decision. PEAK6's proxy policy also specifies that it will discuss the record of proxy votes cast by PEAK6 or the third party engaged to vote certain proxies for a Client upon request.

Investment adviser clients of PEAK6 or investors in the Funds may request a copy of PEAK6's Proxy Voting Policy, as well as relevant proxy voting records by contacting Donna MacDonald, PEAK6's Chief Compliance Officer, at 141 West Jackson Blvd, Suite 500, Chicago, IL 60604.

FINANCIAL INFORMATION

PEAK6 is not aware of any financial condition that could impair its ability to meet its contractual commitments to its Clients.