



Item 1 – Cover Page

Part 2A of Form ADV Firm Brochure

Falcon Edge Capital, LP

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March 31, 2014

This brochure provides information about the qualifications and business practices of Falcon Edge Capital, LP and its relying advisor, Falcon Edge Capital, LLP (collectively, “Falcon Edge”, “we” or “us”). If you have any questions about the contents of this brochure, please contact us at: (212) 803-9080. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Registration as an investment adviser does not imply any level of skill or training.

Additional information about Falcon Edge also is available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

This Brochure is Falcon Edge's annual updating amendment for the year ending on December 31, 2013. Falcon Edge has made the following material changes to this Brochure since the previous version filed on March 28, 2013:

- Revisions to reflect the launch of a new private investment fund structure advised by Falcon Edge;
- Revisions to the amount of client assets managed on a discretionary basis as of December 31, 2013; and
- Revisions to the description of the fees and compensation received by Falcon Edge and its affiliates.

In addition to the aforementioned material changes, this Brochure has been revised to reflect certain general updates, including updates to conform this Brochure to disclosures in the Funds' offering documents or other Falcon Edge policies and procedures.

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Item 4 – Advisory Business

Our Firm

Falcon Edge Capital, LP was organized in July 2011 under the laws of Delaware and has its principal place of business in New York City. Falcon Edge is primarily owned directly or indirectly by Mr. Richard Gerson and Mr. Navroz Udwadia.

Falcon Edge Capital, LLP, our relying advisor, was organized in August 2011 under the laws of England and Wales and is authorized and regulated by the Financial Conduct Authority of the United Kingdom. Further information on Falcon Edge Capital, LLP can be found in this document under Item 10 – Other Financial Industry Activities and Affiliations.

Although organized as separate legal entities, Falcon Edge Capital, LP and Falcon Edge Capital, LLP conduct a single advisory business because, among other things, the Falcon Edge entities: (i) are subject to a unified compliance program; (ii) advise only private funds maintained on behalf of qualified clients; (iii) use the same or similar names; and (iv) hold themselves out to current and prospective investors as conducting a single advisory business because they, for example share personnel and resources.

As of December 31, 2013, Falcon Edge managed on a discretionary basis approximately \$2,541,989,000 of client assets. This amount reflects generally the aggregate net asset values of the Funds (as defined below) as of such date. The computation of this amount differs from the computation of “regulatory assets under management” required by Item 5.F in Part 1A of Form ADV.

Advisory Services

Falcon Edge provides discretionary investment management services to the following private pooled investment vehicles:

- (1) *The Global Funds*: (i) Falcon Edge Global, LP, a Delaware limited partnership (the “Global Domestic Feeder Fund”), (ii) Falcon Edge Global, Ltd, a Cayman Islands exempted company (the “Global Offshore Feeder Fund”), (iii) Falcon Edge Global Intermediate Fund, LP, a Cayman Islands exempted limited partnership (the “Global Intermediate Fund”), and (iv) Falcon Edge Global Master Fund, LP, a Cayman Islands exempted limited partnership (the “Global Master Fund”, collectively with the Global Domestic Feeder Fund, the Global Offshore Feeder Fund and the Global Intermediate Fund, the “Global Funds”).

The Global Offshore Feeder Fund invests substantially all of its assets in the Global Intermediate Fund. The Global Intermediate Fund and the Global Domestic Feeder Fund generally invest substantially all of their assets in the Global Master Fund, but may also make investments directly.

- (2) *The Sovereign Funds*: (i) Falcon Sovereign, LP, a Delaware limited partnership (the “Sovereign Domestic Feeder Fund”), (ii) Falcon Sovereign, Ltd, a Cayman Islands exempted company (the “Sovereign Offshore Feeder Fund”), and (iii) Falcon Sovereign Master Fund, LP, a Cayman Islands exempted limited partnership (the “Sovereign Master Fund”, collectively with the Sovereign Domestic Feeder Fund and the Sovereign Offshore Feeder Fund, the “Sovereign Funds”).

The Sovereign Domestic Feeder Fund and Sovereign Offshore Feeder Fund will invest all of their investable assets in the Sovereign Master Fund.

The Global Funds and the Sovereign Funds are together referred to as the “Funds”.

With respect to the Funds, Falcon Edge manages assets in accordance with the investment objectives and restrictions set forth in the governing documents applicable to each Fund. The individual needs of the investors in the Funds are not the basis of investment decisions. Investment advice is provided directly to the Funds and not individually to the Funds’ investors.

The shares or limited partnership interests of the Funds are not registered under the Securities Act of 1933, as amended (the “Securities Act”), and the Funds are not registered under the Investment Company Act of 1940, as amended (the “Investment Company Act”). Accordingly, interests or shares in the Funds are offered and sold exclusively to investors satisfying applicable eligibility and suitability requirements, either in private transactions within the United States, in offshore transactions and/or in other transactions exempt from the registration requirements of the Securities Act.

Please see “Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss” for a description of the Funds’ investment strategies and their related risks.

This Brochure generally includes information about Falcon Edge and its relationships with the Funds and affiliates. While much of this Brochure applies to all such Funds and affiliates, certain information included herein applies to specific Funds or affiliates only.

Item 5 – Fees and Compensation

Detailed below is a brief summary of certain fees and expenses paid by the Funds. Investors and prospective investors are advised to review a relevant Fund’s offering materials and other constituent documents for a more comprehensive discussion of fees and expenses.

Advisory Fees and Compensation

Global Funds

Affiliates of Falcon Edge are entitled to receive a quarterly asset-based fee/allocation (the “Global Management Compensation”) ranging between 1.5% to 2% per annum (depending on the class of shares or interests in the Global Funds). The Global Management Compensation is generally based the Global Funds’ net asset value, however, it may be partially based on the cost basis of any “Special Investments” (as defined in the Global Funds’ offering documents).

In addition, an affiliate of Falcon Edge that serves as the general partner of the Global Domestic Feeder Fund and the Global Intermediate Fund may receive an annual incentive allocation (the “Global Incentive Allocation”). The Global Incentive Allocation is an amount ranging from 10%-20% (subject to certain conditions) of the realized and unrealized net capital appreciation in the Global Domestic Feeder Fund and the Global Intermediate Fund, subject to a modified high-water mark mechanism. Net capital appreciation attributable to Special Investments is generally not included in calculating the Global Incentive Allocation until a Special Investment is realized or deemed realized.

In the sole discretion of Falcon Edge (or its affiliate), the Global Management Compensation and the Global Incentive Allocation may be waived, reduced or calculated differently with respect to certain shares or interests in the Global Funds. Investors that are members, shareholders, partners, officers, employees and affiliates of Falcon Edge, members of the immediate families of such persons and trusts or other entities established by them or for their benefit are generally not subject to the Global Management Compensation or the Global Incentive Allocation.

Sovereign Funds

An affiliate of Falcon Edge is entitled to receive a quarterly asset-based fee (the “Sovereign Management Fee”). During the investment period, the Sovereign Management Fee will be equal to 0.5% per annum of the aggregate capital contributions. Thereafter, the Sovereign Management Fee will be equal to 0.5% per annum of the lesser of (i) the net asset value of the shares or interests of the Sovereign Funds and (ii) the aggregate capital contributions made in respect of investments, less the sum of proceeds from the disposition of investments representing a return of capital and the cumulative amount of any writedowns on investments.

In addition, an affiliate of Falcon Edge that serves as the general partner of the Sovereign Master Fund is generally entitled to receive 10% of the profits from the Sovereign Funds pursuant to a distribution waterfall described in the offering documents of the Sovereign Funds (the “Sovereign Carried Interest”).

In the sole discretion of Falcon Edge (or its affiliate), the Sovereign Management Fee and the Sovereign Carried Interest may be waived, reduced or calculated differently with respect to certain shares or interests in the Sovereign Funds. Investors that are members, shareholders, partners, officers, employees and affiliates of Falcon Edge, members of the immediate families of such persons and trusts or other entities established by them or for their benefit are generally not subject to the Sovereign Management Fee or the Sovereign Carried Interest.

Additional Fees and Expenses

In addition to the advisory fees and compensation described above, the Funds also bear their own expenses as more fully described in each Fund’s offering documents. These expenses include, without limitation, investment expenses (*e.g.*, expenses that, in Falcon Edge’s discretion, are related to the investment of a Fund’s assets, whether or not such investments are consummated, such as brokerage commissions, expenses relating to short sales, clearing and settlement charges, custodial fees, bank service fees and interest expenses); professional fees (including expenses of consultants, investment bankers, attorneys, accountants and other experts) relating to investments; research expenses; administrative expenses (including fees and expenses of a Fund’s administrator); external legal expenses; external accounting and valuation expenses (including the cost of accounting software packages and the cost of valuing investments); audit and tax preparation expenses; costs related to errors and omissions insurance for Falcon Edge and certain of its affiliates; insurance and fees of the board of directors; costs of printing and mailing reports and notices; entity-level taxes; corporate licensing; regulatory expenses (including filing fees); organizational expenses; expenses incurred in connection with the offering and sale of the interests and shares, and other similar expenses related to a Fund; indemnification expenses; and extraordinary expenses.

Item 6 – Performance-Based Fees and Side-by-Side Management

Falcon Edge accepts performance-based compensation from every client, and as described in Item 5, the percentage amounts upon which such compensation is calculated, the timing of the calculation of such compensation and the use of unrealized gains in such calculation, differ among clients. As a result, Falcon Edge may have an incentive to allocate limited investment opportunities to the clients from whom the greatest performance-based compensation may be earned. In addition, the Global Incentive Allocation and the Sovereign Carried Interest may create an incentive for Falcon Edge to make investments that are riskier or more speculative than would be the case in the absence of such performance-based compensation. Since the Global Incentive Allocation is based on both realized and unrealized gains, an affiliate of Falcon Edge may receive the Global Incentive Allocation reflecting unrealized gains at the end of a period that are not subsequently realized.

Item 7 – Types of Clients

Falcon Edge provides discretionary investment management services to the Funds, as described above. Falcon Edge may in the future provide investment advice to other private pooled investment vehicles and separately managed accounts.

The offering documents of each Fund sets for the eligibility requirements and minimum subscription amounts for investors in such Fund, which may vary by class. The minimum subscription amounts may be waived by Falcon Edge for certain investors, including for subscriptions by members, shareholders, partners, officers, employees and affiliates of Falcon Edge, members of the immediate families of such persons and trusts or other entities established by them or for their benefit.

Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss

The descriptions set forth in this Brochure of specific advisory services that Falcon Edge offers to Funds and investment strategies pursued and investments made by Falcon Edge on behalf of the Funds should not be understood to limit in any way Falcon Edge's investment activities. Falcon Edge may offer any advisory services, engage in any investment strategy and make any investment, including any not described in this Brochure, that Falcon Edge considers appropriate, subject to each Fund's investment objectives and guidelines. The investment strategies of Falcon Edge are speculative and entail substantial risks. Investors should be prepared to bear a substantial loss of capital. There can be no assurance that the investment objectives of any Fund will be achieved.

Methods of Analysis and Investment Strategies

Global Funds

As is explained more fully in the Global Funds' offering documents, Falcon Edge's investment strategy for the Global Funds is to generate superior and sustainable risk-adjusted absolute returns for investors, while focusing on risk management. For the Global Funds, Falcon Edge seeks to identify and exploit asymmetric risk-reward opportunities across global markets that generate alpha on both the long and short sides through a core focus on fundamental research.

While a rigorous, fundamental equity long-short approach is integral to the investment strategy, Falcon Edge seeks to maintain the flexibility to invest across geographies, asset classes and instruments and to employ various strategies. Falcon Edge also seeks to minimize correlation with one or a related set of market outcomes through a diversified portfolio of long and short investments, position hedges and where appropriate, portfolio overlays.

Falcon Edge selects a variety of investments for the Global Funds, including but not limited to, equity and equity-related securities that are traded publicly and privately in U.S. and non-U.S. markets, preferred stocks, convertible securities, warrants, rights, options (including covered and uncovered puts and calls and over-the-counter options), swaps and other derivative instruments, bonds and other fixed income securities, non-U.S. currencies, futures, options on futures, other currency and commodity interests, money market instruments and any other instruments deemed appropriate by Falcon Edge, in order to seek to both maximize returns and minimize risk. The Global Funds may also engage in short-selling, margin trading, hedging and other investment strategies.

From time to time, Falcon Edge may acquire assets or securities for the Global Funds that Falcon Edge believes lack a readily assessable market value (or have a limited market) or should be held until the resolution of a special event or circumstance where such ownership represents an unusually compelling risk-reward opportunity capable of generating significant and potentially non-correlated returns for investors. Such assets or

securities (together with related hedges, financings or similar investments) may be designated as special investments at the time of acquisition (each, a “Special Investment”). Investors may elect whether to participate in the profits and losses attributable to Special Investments at the time of investment.

Sovereign Funds

As is explained more fully in the Sovereign Funds’ offering documents, Falcon Edge’s investment strategy for the Sovereign Funds is to generate superior risk-adjusted absolute returns for investors, while focusing on risk management. For the Sovereign Funds, Falcon Edge seeks to capture certain opportunities that Falcon Edge believes are available in the capital markets of a Latin American country by investing in such country’s securities, including a focus primarily on fixed income and equity securities. The Sovereign Funds will invest alongside the Global Funds with respect to part or all of the Global Funds’ portfolio that invests in securities in such country. The Sovereign Funds may utilize derivatives and other securities, including CDS and CDX contracts, for purposes of hedging the portfolio of the Sovereign Funds. Falcon Edge may also seek to hedge the Sovereign Funds’ non-U.S. dollar currency exposure by entering into currency hedging transactions. The Sovereign Funds may employ significant leverage and it will have highly concentrated positions; accordingly, the Sovereign Funds may experience significant volatility as part of its strategy. While the Sovereign Funds will invest alongside the Global Funds, the Sovereign Funds will also invest in other securities in the particular Latin American country’s capital markets that Falcon Edge does not deem to be appropriate for the portfolio of the Global Funds.

Risks of Loss

The following risk factors do not purport to be a complete list or explanation of the risks involved in an investment in the Funds advised by Falcon Edge. Investors should consult the offering memorandum for the relevant Fund for more details on the risks associated with an investment in such Fund.

As a general matter, investing in securities involves a risk of loss that investors should be prepared to bear. No guarantee or representation is made that the investment strategies offered by Falcon Edge will be successful. An investment in a Fund should not in itself be considered a balanced investment program and should only be made after consultation with independent qualified sources of investment and tax advice. Investors in a Fund should be able to withstand the loss of their entire investment. No guarantee or representation is made that an investment program will be successful. As explained more fully in each Fund’s offering documents, the specialized investment program of each Fund involves a substantial degree of risk. Examples of such risks include, but are not limited to:

- Illiquidity of investments;
- Lack of operating history of Falcon Edge upon which prospective investors can evaluate the anticipated performance of any investment strategy and business;

- Master-feeder structure which may present certain conflicts of interest in determining whether to hold or dispose of an asset because of different tax considerations applicable to any onshore or offshore feeder funds;
- General economic and market conditions that may affect the level and volatility of prices of securities, commodities or other financial instruments (equity and non-equity) and the liquidity of the Funds' investments, such as interest rates, availability of credit, credit defaults, inflation rates, economic uncertainty, changes in laws (including laws relating to taxation of investments), trade barriers, currency exchange controls and national and international political circumstances (including wars, terrorist acts or security operations);
- The use of margin transactions, short sales, leverage, options on securities, commodities, futures and forward contracts, and other derivatives, which practices can, in certain circumstances, maximize the adverse impact to which the Funds may be subject;
- The possibility of substantial investments in securities of non-U.S. issuers and non-U.S. countries, including emerging markets, which involve liquidity, political and other types of risks not usually associated with investing in securities of U.S. companies and U.S. government securities;
- Counterparty risk, including settlement and default risk, when effecting transactions in "over-the-counter" or "interdealer" markets; and
- Legal, tax and regulatory changes that are likely to occur during the term of the Funds and that may adversely affect the Funds.
- With respect to the Sovereign Funds, the substantial investment in securities of a single Latin American country involves additional risks and special considerations not typically associated with investing in other more established economies or markets.

The risks described above are not a complete list of all risks associated with the described investment strategies. Investors should refer to Fund offering documents for a more complete description of the risks involved in a Fund investment.

Item 9 – Disciplinary Information

Falcon Edge and its management personnel have not been involved in any legal or disciplinary events that are material to an investor's evaluation of Falcon Edge's investment advisory business or the integrity of Falcon Edge's management personnel.

Item 10 – Other Financial Industry Activities and Affiliations

Falcon Edge Capital, LLP, our relying advisor, serves as an investment manager to the Funds and is authorized and regulated by the Financial Conduct Authority of the United Kingdom. Falcon Edge Investments Limited, Mr. Navroz Udwadia and Mr. James Minshull are the designated members of Falcon Edge Capital, LLP.

Certain of the Funds are U.S. or Cayman Islands limited partnerships that are controlled by their general partner, which are special purpose vehicles affiliated with Falcon Edge (the “General Partners”). The Funds or the General Partners have delegated discretion over the management of the Funds’ investment activities to Falcon Edge Management Company, LP, which is a special purpose vehicle affiliated with Falcon Edge (the “Manager”). The Manager in turn has delegated its discretion to Falcon Edge. Any persons acting on behalf of a General Partner or the Manager are subject to the supervision and control of Falcon Edge.

Falcon Edge and certain of its affiliates have filed exemptions with the CFTC as exempt commodity trading advisors and exempt commodity pool operators.

Falcon Edge and its personnel will devote as much of their time to the activities of the Funds as they deem necessary and appropriate. Falcon Edge and its affiliates are not restricted from forming additional investment funds, from entering into other investment advisory relationships or from engaging in other business activities, even though such activities may be in competition with the Funds and/or may involve substantial time and resources of Falcon Edge. These activities could be viewed as creating a conflict of interest in that the time and effort of Falcon Edge and its personnel will not be devoted exclusively to the business of the Funds but will be allocated between the business of the Funds and the management of the monies of other advisees of the Falcon Edge and its personnel.

Item 11 – Code of Ethics, Participation or Interest in Client Transactions, and Personal Trading

Code of Ethics and Personal Trading

Falcon Edge has adopted a Code of Ethics (the “Code of Ethics”) pursuant to Rule 204A-1 under the Advisers Act. Rule 204A-1 requires us to establish, maintain and enforce a written code of ethics that (i) sets the standard of business conduct that we require of our employees, (ii) requires personnel to comply with applicable federal securities laws, and (iii) contains provisions regulating personal securities transactions by personnel.

The Code of Ethics requires all Falcon Edge personnel to adhere to the following core principles:

1. The interests of clients must take precedence over those of employees;
2. All personal securities transactions must be conducted in a manner consistent with applicable laws and must avoid any actual or potential conflicts of interest or any abuse of a position of trust and responsibility;
3. Employees may not take inappropriate advantage of their position at Falcon Edge; and
4. Information about clients, portfolio holdings and investment recommendations must be kept confidential.

Falcon Edge’s personnel are required to certify to their compliance with the Code of Ethics upon the commencement of their employment and at least annually thereafter.

The Code of Ethics also governs personal trading activities by personnel and their immediate family members living in the same household. The Code of Ethics requires Falcon Edge personnel to report all personal trades on at least a quarterly basis and to provide initial and annual holdings reports to the Chief Compliance Officer or his designee. Personnel may be permitted to invest in certain securities subject to pre-clearance by the Chief Compliance Officer. For clarification, the preapproval requirement and certain prohibitions generally do not apply to (i) trading in certain non-”covered securities” (e.g., open-end mutual funds, U.S. treasuries), and (ii) trading in personal accounts over which neither the employee nor any of his or her family members in the same household has direct or indirect influence or control. The Chief Compliance Officer monitors Falcon Edge personnel’s personal trading activity to ensure that transactions have been executed in accordance with the Code of Ethics and relevant rules and regulations.

In addition to restrictions on personal trading, Falcon Edge also maintains policies and procedures that address and place limits on the giving and receiving of gifts and entertainment, the making of political contributions, service on outside boards of directors and other outside business activities.

Finally, Falcon Edge also maintains insider trading policies and procedures that are designed to prevent the misuse of material, non-public information.

A copy of Falcon Edge's Code of Ethics is available to Clients, investors, and prospective Clients and investors upon request.

Participation or Interest in Client Transactions

Falcon Edge's Code of Ethics generally prohibits employees from investing in single-name, publicly traded stocks or bonds. Exceptions to this prohibition require pre-clearance by Falcon Edge. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as the Funds, there is a possibility that employees might benefit from market activity by a Fund in a security held by such employees.

Falcon Edge has established policies and procedures to monitor and resolve conflicts with respect to investment opportunities in a manner it deems fair and equitable, including the restrictions placed on personal trading in the Code of Ethics, as described above, and regular monitoring of employee transactions.

Falcon Edge may determine that it would be in the best interests of the Funds for one Fund to sell a security to another Fund through broker-assisted or internal cross transactions. If such a determination is made, the relevant security will generally be bought and sold at a price equal to its market price on the transaction date. Falcon Edge does not receive any fees in connection with these transactions.

Falcon Edge does not expect to cause the Funds to enter into principal transactions.

Item 12 – Brokerage Practices

Broker-Dealer Selection Criteria

In choosing brokers and dealers to effect portfolio transactions for the Funds, Falcon Edge seeks to obtain “best execution” for the Funds’ transactions. Although Falcon Edge seeks competitive commission rates, it does not necessarily pay the lowest commission rate available. Transactions may involve specialized services on the part of a broker-dealer, which may justify higher commissions than would be the case for more routine services.

Falcon Edge may consider any or all of the following factors in selecting broker-dealers for Fund transactions and determining the reasonableness of their compensation:

- Price;
- The broker or counterparty’s relevant expertise related to the specific instrument traded or market that it is being traded in;
- Speed of execution;
- Transaction costs, including fees and commissions;
- Likelihood and/or method of settlement;
- Size of the order;
- Nature of the order;
- Potential market impact;
- Value of research;
- Quality of access to corporates; and
- Other considerations relevant to the order

Falcon Edge maintains policies and procedures to review the quality of executions, including periodic reviews by our investment, operations and compliance professionals.

Use of Soft Dollars

Where, considering all relevant factors, Falcon Edge believes a broker-dealer can provide best execution, Falcon Edge may select a broker-dealer in recognition of the value of various research or other products or services, beyond transaction execution, that the broker-dealer provides to the Funds or Falcon Edge. Further, the amount of compensation the Funds pay to such broker-dealer may be higher than what another, equally capable broker-dealer might charge. The use of commissions or “soft dollars” (including dealer markups and markdowns arising in connection with certain riskless principal transactions) for research and research-related services will come within the safe harbor for the use of soft dollars provided under Section 28(e) of the Securities

Exchange Act of 1934, as amended, and subject to prevailing guidance provided by the SEC regarding Section 28(e).

Consistent with Section 28(e), research products or services obtained with “soft dollars” generated by a Fund may be used by Falcon Edge to service one or more other Funds. Nonetheless, Falcon Edge believes that such investment information provides each Fund with benefits by supplementing the research otherwise available to such Fund.

Generally, research services provided by broker-dealers in exchange for soft dollars may include information on the economy, industries, groups of securities, individual companies, statistical information, accounting and tax law interpretations, political developments, legal developments affecting portfolio securities, technical market action, pricing and appraisal services, credit analysis, risk measurement analysis, performance analysis, analysis of corporate responsibility issues and other services providing lawful and appropriate assistance to the investment professionals in the performance of their investment decision-making responsibilities. In some cases, research services may be generated by third parties but provided to Falcon Edge by or through broker-dealers.

Where a product or service obtained with soft dollars provides both research and non-research assistance to Falcon Edge (e.g., a “mixed use” item), Falcon Edge makes a good faith allocation of the cost which may be paid for with soft dollars. In making good faith allocations of costs between administrative benefits and research and brokerage services, a conflict of interest may exist by reason of Falcon Edge’s allocation of the costs of such benefits and services between those that primarily benefit Falcon Edge and those that primarily benefit the Funds.

Allocation and Aggregation of Transactions

It is the policy of Falcon Edge to allocate investment opportunities among Funds fairly and equitably over time. This means that such opportunities will generally be allocated among those Funds for which participation in the respective opportunity is considered appropriate, taking into account, among other considerations (a) whether the risk-return profile of the proposed investment is consistent with the account’s objectives; (b) the potential for the proposed investment to create an imbalance in the account’s portfolio; (c) liquidity requirements; (d) potentially adverse tax consequences; (e) regulatory restrictions that would or could limit an account’s ability to participate in a proposed investment; and (f) the need to re-size risk in a Fund’s portfolio. In the event of a partial fill, allocations may be modified on a basis that Falcon Edge deems to be appropriate, including, for example, in order to avoid odd lots or *de minimis* allocations. The foregoing considerations may result in allocations among Funds on other than a *pari passu* basis.

If the purchase or sale of a security is appropriate for multiple Funds, Falcon Edge may, but is not obligated to, purchase or sell such a security on behalf of such Funds with an aggregated order, for the purpose of reducing transaction costs, to the extent permitted by applicable law. When aggregating orders, Falcon Edge will treat all Funds in a fair and equitable manner. When an aggregated order is filled through multiple trades at different

prices on the same day, each participating Fund generally will receive the average price. Transaction costs of aggregated orders generally allocated *pro rata* based on the size of each Fund's participation in the order as determined by Falcon Edge.

Trade Errors

The Funds may on occasion experience errors with respect to trades made on their behalf. Trade errors may include, for example, (i) the placement of orders (either purchases or sales) in excess of (or less than) the amount of securities the Partnership intended to trade; (ii) the sale of a financial instrument when it should have been purchased; (iii) the purchase of a financial instrument when it should have been sold; (iv) the purchase or sale of the wrong financial instrument; (v) the purchase or sale of a financial instrument contrary to regulatory restrictions or Fund investment guidelines or restrictions; (vi) incorrect allocations of financial instrument; (vii) keystroke errors that occur when entering trades into an electronic trading system; and (viii) typographical or drafting errors related to derivatives contracts or similar agreements. Trade errors may result in losses or gains.

Falcon Edge will endeavor to detect trade errors prior to settlement and correct and/or mitigate them in an expeditious manner. To the extent an error is caused by a counterparty, such as a broker-dealer, Falcon Edge will seek to recover any losses associated with such error from the counterparty, but may not be able to do so. Soft dollars may not be used, either directly or indirectly, to correct trade errors. Any amounts recovered will be for the benefit of the applicable Fund. Pursuant to the Funds' governing documents, the Funds (and not Falcon Edge) will generally benefit from any gains resulting from trade errors and will generally be responsible for any losses (including additional trading costs) resulting from trade errors and similar human errors, absent Falcon Edge's breach of the standard of care set forth in the Funds' governing documents.

Item 13 – Review of Accounts

Portfolio Review

Falcon Edge's investment professionals, led by the portfolio manager and including a team of analysts, review the Funds' portfolios on a regular basis. The investment professionals engage in a process to source, research and size investments. Aspects of this process include research, regular investment staff meetings and discussions with the portfolio manager regarding the merits of a particular investment idea and how it fits into the portfolios.

Client/Investor Reporting

Investors receive monthly reports from Falcon Edge or from a Fund's administrator, including monthly performance estimates, attribution and exposure reports and statements of net asset value. Investors also receive a quarterly letter prepared by Falcon Edge. Certain investors or prospective investors may request additional information and reports and other investors may not receive some or all of the information or reports provided in response to such requests.

Falcon Edge also provides annual audited financial statements to investors for their applicable Fund and, if applicable, Schedule K-1s.

Item 14 – Client Referrals and Other Compensation

Neither Falcon Edge nor any related person directly or indirectly compensates any person who is not a Falcon Edge supervised person, including placement agents, for client referrals. Falcon Edge may in the future enter into arrangements with placement agents to solicit investors in the Funds. If Falcon Edge does engage placement agents, they would be subject to a conflict of interest because they would be compensated by Falcon Edge in connection with those solicitation activities. Investors solicited by any such placement agents would be advised of any compensation arrangements relating to their solicitation.

No one other than the Funds provide an economic benefit to Falcon Edge for providing investment advice or other advisory services to the Funds.

Item 15 – Custody

Under Rule 206(4)-2 of the Advisers Act, an adviser has custody if it acts in any capacity that gives the adviser legal ownership of, or access to, a client's funds or securities. Accordingly, Falcon Edge generally has custody of Fund assets because it or its affiliate either (i) acts as general partner of a Fund with the authority to dispose of funds and securities in such Fund's account or (ii) is deemed to have custody because of its ability to withdraw its fees directly from the Funds. Rule 206(4)-2 imposes certain requirements on registered investment advisers who have actual or deemed custody of client assets. However, Falcon Edge expects to be exempt from some of these requirements because (1) the Funds will be audited in accordance with the U.S. generally accepted accounting principles on an annual basis, (2) the independent public accountant conducting the audit is registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board, and (3) audited financial statements will be distributed to each investor in a Fund within 120 days of the end of such Fund's fiscal year.

In addition, Falcon Edge maintains each client's funds and securities at prime brokers or a custodial bank, all of whom are qualified custodians, as that term is defined under the custody rule under the Advisers Act. The Funds may also hold securities that are uncertificated and the ownership thereof is recorded only on books of the issuer or its transfer agent in the name of the Funds.

Item 16 – Investment Discretion

Falcon Edge has full discretionary authority to manage securities accounts on behalf of the Funds pursuant to our investment management agreements with the Funds or the relevant Fund's organizational documents (e.g., limited partnership agreement). Falcon Edge manages the Funds in accordance with the guidelines and restrictions set forth in each Fund's offering documents. Falcon Edge has the authority to determine the securities, and the amount of securities, to be bought and sold without obtaining Fund or investor consent to specific transactions.

Item 17 – Voting Client Securities

Falcon Edge has the authority to act on proxies (vote or abstain) on behalf of the Funds. Falcon Edge votes all proxies in the best interest of the Funds and seeks to maximize shareholder value. Falcon Edge uses an independent third party for proxy voting, which provides proxy analyses, vote recommendations, vote execution and record keeping services for Falcon Edge. Falcon Edge will generally vote in accordance with the proxy service's recommendation, but Falcon Edge retains the authority to override the recommendation on any proxy vote.

Falcon Edge may have a conflict of interest in voting a particular proxy. A conflict of interest could arise, for example, as a result of a business relationship with a company, or a direct or indirect business interest in the matter being voted upon, or as a result of a personal relationship with corporate directors or candidates for directorships. If Falcon Edge determines that it or one of its employees faces a material conflict of interest in voting a proxy, Falcon Edge may consult the independent members of the board of directors or governance board of each Fund to determine the appropriate vote.

Upon request, investors may obtain a copy of Falcon Edge's proxy voting policies and procedures, as well as information about how Falcon Edge voted with respect to the securities held by the applicable Fund.

Item 18 – Financial Information

Falcon Edge has never filed for bankruptcy and is not aware of any financial condition that is expected to impair its ability to meet contractual commitments to the Funds.