

Oceanwood Capital Management LLP

Part 2A of Form ADV The Brochure

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This brochure provides information about the qualifications and business practices of Oceanwood Capital Management LLP (“OCM” or “Registrant”). If you have any questions about the contents of this brochure, please contact us at +44 (0)20 7758 5500. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

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

MATERIAL CHANGES

This item is not applicable as OCM is a newly registered investment adviser and this brochure is OCM's initial brochure.

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ADVISORY BUSINESS

Oceanwood Capital Management LLP is an English limited liability partnership that is primarily owned by Christopher Gate and Oceanwood Capital Service Limited. OCM was incorporated as a limited liability partnership on 16 March 2006 and registered with the United Kingdom's Financial Services Authority, now the Financial Conduct Authority, on 10 August 2006.

OCM provides investment advisory services to clients that are commingled investment vehicles ("Private Funds" or "Clients"), and seeks to achieve superior risk-adjusted returns on behalf of client accounts by investing across the broadly defined event-driven universe, allocating capital to the strategies that offer the most compelling investment opportunities while seeking to adhere to a strict risk discipline. Event-driven investments include: merger arbitrage, holding company arbitrage, restructurings, spin-offs/break-ups, tax-driven transactions, litigation outcomes, value with a catalyst directional positions, special situations, regulatory change driven transactions, liquidations, recapitalisations, distressed company situations, and other significant industry changes that often result in the mispricing of securities.

OCM does not tailor its advisory services to the individual needs of investors in the Private Funds. Therefore investors may not restrict investments by the Private Funds in any capacity.

Investments in the Private Funds will be made in accordance with the terms as detailed in the Offering Memorandum ("OM") for the respective Private Fund. However, investors should note that OCM and its affiliated entities retain the sole discretion to provide preferential investment terms to certain investors in the Private Funds which may include modified incentive allocation and management fees, withdrawal rights, and additional subscription amounts, as well as informational rights, capacity rights and other rights without notice. In addition, OCM and its affiliated entities, such as the general partner of the Private Fund, may establish additional classes of interests in the Private Funds that may have different terms than those of interests disclosed in previously provided offering memoranda. Prospective investors in the Private Funds should review the relevant OM carefully prior to making an investment.

As of February 28, 2014, OCM has \$1,299,083,498 in regulatory assets under management.

FEES AND COMPENSATION

The fees paid by investors in the Private Funds have two components: (1) an asset-based fee; and (2) a performance-based allocation. Fees are paid to the Manager of the Funds, Oceanwood Capital Management Limited, which is an affiliate of OCM based in Malta. The fees are debited by the Private Funds' Administrator and paid to the Manager, who will be responsible for compensating OCM.

The Private Funds pay an asset-based fee (the "Management Fee") in advance equal to 1/12 of 1.75 per cent of the Net Asset Value of each Series of Class A Shares and 1/12 of 1.50 per cent of the Net Asset Value of each Series of Class B Shares. For purposes of calculating the Management Fee, such Net Asset Value will be increased by any accrued but unpaid Incentive Fee. The Management Fee will be calculated by reference to the prevailing Net Asset Value of the relevant Series after giving effect to any redemptions or subscriptions effective at the beginning of the relevant month. Where a new Series of Shares is being issued for the first time, the Management Fee shall be calculated by reference to the amount subscribed for such Series. Any portion of the Management Fee attributable to a Series of Special Situation Shares (as described in Item 8 below) will be paid from

the Series of Class A Shares or Class B Shares held by the shareholder having an interest in the particular Series of Special Situation Shares. The Net Asset Value of each Series of Class A Shares and Class B Shares will include, for purposes of determining the Management Fee, the Net Asset Value of any corresponding Special Situation Shares that were converted from such Class of Shares.

The Private Funds also pay an Incentive Fee in respect of each Calculation Period (which shall generally end on December 31st of each year or sooner with respect to redemptions of Shares). The Incentive Fee will be equal to 20 per cent of the net realised and unrealised appreciation in the Net Asset Value of each Series of Class A Shares and 17 per cent of the net realised and unrealised appreciation in the Net Asset Value of each Series of Class B Shares during the Calculation Period (in each case adjusted for any redemptions and any accruals of the Incentive Fee made during the Calculation Period (the "Adjusted NAV")); provided however, that an Incentive Fee will only be paid with respect to the net realised and unrealised appreciation in the Adjusted NAV of a Series of Shares in excess of the Prior High Net Asset Value of such Series of Shares.

The "Prior High Net Asset Value" of a Series of Shares is the highest Net Asset Value of that Series immediately following the end of any previous Calculation Period (or, if no Incentive Fee has yet been determined with respect to such Series, the Net Asset Value of that Series immediately following its initial offering). The Prior High Net Asset Value of a Series of Shares will be reduced pro rata for redemptions from such Series and upon the conversion of Shares into Special Situation Shares and will be appropriately adjustable upon the issuance of new Shares of a Series following the realization of a Special Situation Investment.

When a Special Situation Investment is realised, or the Directors, in consultation with OCM, otherwise determine that it is no longer necessary to treat such investment as a Special Situation Investment, profits and losses from such realisation or deemed realisation will be included in the Net Asset Value (including for purposes of determining any applicable Incentive Fee for the Calculation Period) of the Class A Shares or Class B Shares, as applicable, of those shareholders who held Special Situation Shares in respect of such Special Situation Investment, in the Calculation Period in which the Special Situation Investment is realised, or in which the Directors, in consultation with OCM, otherwise determine that it is no longer necessary to treat such investment as a Special Situation Investment.

Investors should be aware that the Fund may establish other classes of shares which may differ in terms of fees charged, among other things. The Manager or OCM may, at their sole discretion, waive, reduce or rebate fees to shareholders or pay a portion of such fees to a third party. Investors will also pay other fees through their investment in the Fund. Each Feeder Fund will bear its own ongoing operating costs and expenses as well as indirectly bearing a pro rata share of those expenses of the Master Fund including legal, accounting, and administration fees as well as charges for brokerage, custodial, and execution services. For a complete description of the fees and expenses charged to the funds, investors should consult the relevant OM for the Private Fund.

PERFORMANCE BASED FEES AND SIDE BY SIDE MANAGEMENT

OCM will receive a performance based fee for investments into the Private Funds. The receipt of performance-based fees may incentivize OCM to make riskier investments than would be the case in the absence of such compensation. OCM has adopted policies and procedures to address these conflicts.

TYPES OF CLIENTS

Private Funds

OCM provides investment advice to a family of Private Funds formed in a Master/Feeder Structure. The Oceanwood Opportunities Master Fund (formerly known as Oceanwood Opportunities Master Fund) is a Cayman Islands exempted company registered as a regulated mutual fund with the Cayman Islands Monetary Authority. The “Feeder Funds” are comprised of the Oceanwood Opportunities Fund (formerly known as Oceanwood Opportunities Fund) (“Offshore Feeder”) is also a Cayman Islands exempted company registered as a regulated mutual fund with the Cayman Islands Monetary Authority, and the Oceanwood Opportunities Fund L.P. (“Onshore Feeder”), a Delaware limited partnership organised to facilitate investment by US taxable investors. Both of the Feeder Funds invest substantially all of their assets in the Oceanwood Opportunities Master Fund. The Private Funds are available for investment only to certain U.S. persons that are “accredited investors” under the Securities Act of 1933, as amended, and “qualified purchasers,” as that term is defined in Section 2(a)(51)(A) of the U.S. Investment Company Act of 1940, as well as to certain non-U.S. persons. OCM provides discretionary management and advisory services to the Private Funds under the terms of an investment management agreement between OCM and the affiliated Manager, subject to the direction and oversight of the affiliated Manager and any directors of the applicable Private Fund, and not individually to investors.

Unless otherwise determined by the Directors, the minimum initial subscription for US Dollar Shares is US\$5 million, for Euro Shares is €5 million and for Sterling Shares is £5 million. Unless otherwise determined by the Directors, the minimum subscription for additional US Dollar Shares is US\$1 million, for additional Euro Shares is €1 million and for additional Sterling Shares is £1 million. Under no circumstances will the minimum initial subscription be less than US\$50,000 or its Euro or Pound Sterling equivalent. The minimum initial subscription for Management Shares is also US\$50,000 or its Euro or Pound Sterling equivalent.

METHODS OF ANALYSIS, INVESTMENT STRATEGIES, AND RISK OF LOSS

Investment Strategy

OCM specialises in event-driven investing. OCM considers event-driven investments to include: merger arbitrage, holding company arbitrage, restructurings, spin-offs/break-ups, tax-driven transactions, litigation outcomes, value with a catalyst directional positions, special situations, regulatory change driven transactions, liquidations, recapitalisations, distressed company situations, and other significant industry changes that often result in the mispricing of securities.

OCM, on behalf of its Clients, invests throughout the capital structure of issuers, moving between equity and debt investments dependent upon the particular opportunity and the point in time of the event investment cycle, as determined by OCM. The majority of OCM's Clients' capital is generally allocated to European investments, in securities of issuers having their principal places of business or a majority of their operations in Europe. OCM has a rigorous investment approach exercised within a disciplined risk management framework. OCM employs a highly opportunistic approach framed by an expected value investment methodology. Intensive bottom-up fundamental research of situations is combined with an appreciation of macroeconomic factors. OCM's portfolio construction will be attentive to, among other factors, an assessment of the current position in the event investment cycle, macro-shock risks, beta exposure and sector views.

Investment Process

All investment professionals of OCM have certain responsibility for idea generation. The portfolio managers work with the analysts to identify the most compelling investment opportunities in their respective coverage areas. Analysts are encouraged to present their research in probability-adjusted terms using an expected value approach and further analysis will be performed to identify which securities within the capital structure offer the best risk-adjusted returns in any given situation. Individual analysts, as best suited based on experience, geography, sector, and security type, have on-going coverage responsibilities of individual situations. To aid the efficiency of analytical efforts, investment professionals attend regular investment meetings to better ensure a consistent understanding of portfolio strategy.

Portfolio Risk Management

OCM employs a tailored approach appropriate to the event driven strategy, utilising internally developed analysis to "test" the portfolio against various scenarios. Trade strategies are categorised into silos initially, then consolidated for a beta and delta adjusted portfolio level view.

Liquidity, sector/country concentrations, foreign exchange, credit, and equity market risks are managed at the portfolio level. OCM expects to utilize a broad range of products for sector and portfolio hedging, which may include equity and interest rate futures, government bonds, equity options, and sector swaps. Positions may be hedged either independently at the strategy level or in aggregate at the portfolio level.

OCM has developed an independent risk analysis system which is integrated with Bloomberg Asset and Investment Manager (AIM), a suite of portfolio management, trading, and operations tools which provide electronic trade execution, real-time portfolio profit and loss reporting, risk metrics, and portfolio statistics for client reporting.

The portfolio is also subject to analysis and review by a risk committee made up of senior individuals from the Manager and OCM. The risk committee generally meets monthly, or more frequently as

required, to review the risk levels of the portfolio and to determine if any risk reduction actions are required.

Other Investment Considerations

OCM retains the flexibility to invest in any type of securities on behalf of its Clients, which may include fixed income securities, preferred stocks, American Depositary Receipts, exchange-traded funds, unregistered or restricted securities, convertible securities, warrants, futures, forward contracts, cash and cash equivalents, interest-rate and other swaps, options and other derivatives. Allocation of the portfolios among various types of securities is a function of the market place and OCM's assessment of investment opportunity at any given time.

OCM may leverage its Clients capital when it believes that the use of leverage may enable the Clients to achieve a higher rate of return. Accordingly, the Clients may pledge its assets in order to borrow additional funds from dedicated credit and banking facilities for investment purposes. The Clients may also leverage its investment return with options, short sales, swaps, forwards and other derivative instruments. The amount of borrowings and other forms of leverage which the Clients may have outstanding at any time may be substantial in relation to its capital.

The Clients may sell short securities that are considered by OCM to be overvalued. The Clients may engage in certain hedging transactions, which may be entered into for a number of reasons, including to (i) seek to protect against possible changes in the market value of the Clients' investment portfolio resulting from fluctuations in the securities markets and changes in interest rates; (ii) protect the Clients unrealised gains in the value of the Clients' investment portfolio; (iii) facilitate the sale of any such investments; (iv) enhance or preserve returns, spreads or gains on any investment in the Clients' portfolio; (v) hedge the interest rate or currency exchange rate on any of the Clients' liabilities or assets; (vi) protect against any increase in the price of any securities the Clients anticipates purchasing at a later date; or (vii) for any other reason that the Manager deems appropriate.

The cash balances of the Clients may be significant from time to time and will vary as OCM may deem advisable. The Clients will hold any cash balances it may accumulate for investment, reinvestment or distribution to shareholders in short-term debt securities, securities subject to repurchase agreements, money market mutual funds, interest-bearing bank accounts, short-term government securities, or other securities.

OCM and its affiliates may create investment entities that will co-invest with the Clients in certain investments in illiquid or restricted securities, on effectively the same terms and conditions as the Clients. In addition, the Clients may offer co-investment rights to certain investors, including certain shareholders of the Clients. OCM will have the flexibility to structure these investments through one or more investment vehicles to address certain tax or regulatory considerations.

Associated Risks of the Investment Strategy

The following does not purport to be a summary of all of the risks associated with OCM's investment strategy, but rather the material risks that an investor in a Private Fund advised by OCM should be aware. Investors in the Private Funds should review the entire list of risks contained in the relevant OM prior to investing.

Risk of Loss. The investment strategy of OCM is speculative and may entail substantial risks. Since market risks are inherent in all securities investments to varying degrees, there can be no assurance that the investment objectives will be achieved. Certain investment practices as described below can, in some circumstances, potentially increase the adverse impact on a client's portfolio. All

investing involves a risk of loss of a portion or the entire amount of your investment. Investors in the Private Funds should be prepared for such a loss.

Dependence on Principal. The success of the investment program depends upon the ability of the Principal to develop and implement investment strategies that achieve the investment objectives. If the Principal were to become unable to participate in the management of the accounts, the consequence to clients and investors could be material and adverse.

Availability of Investment Strategies. The success of Clients' investment activities will depend on OCM's ability to identify investment opportunities as well as to assess the import of news and events that may affect the financial markets. Identification and exploitation of the investment strategies to be pursued by the Clients involves a high degree of uncertainty. No assurance can be given that OCM will be able to locate suitable investment opportunities in which to deploy all of the Clients' assets or to exploit discrepancies in the securities and derivatives markets.

Illiquid Instruments. OCM may invest part of the Clients' assets in illiquid investments and the market prices, if any, for such investments may be volatile and may not be readily ascertainable. The Clients may not be able to sell them when it desires to do so or to realise what it perceives to be their fair value in the event of a sale. The sale of illiquid securities often requires more time and results in higher brokerage charges or dealer discounts and other selling expenses. The Clients may not be able to readily dispose of such illiquid investments.

Event-Driven Investing. Event-driven investing requires the investor to make predictions about (i) the likelihood that an event will occur and (ii) the impact such event will have on the value of a company's securities. If the event fails to occur or it does not have the effect foreseen, losses can result. For example, the adoption of new business strategies or completion of asset dispositions or debt reduction programs by a company may not be valued as highly by the market as OCM had anticipated, resulting in losses. In addition, a company may announce a plan of restructuring which promises to enhance value and fail to implement it, resulting in losses to investors. In liquidations and other forms of corporate reorganization, the risk exists that the reorganization either will be unsuccessful, will be delayed or will result in a distribution of cash or a new security, the value of which will be less than the purchase price to the Clients of the security in respect of which such distribution was made. The consummation of mergers and tender and exchange offers can be prevented or delayed by a variety of factors, including: (i) opposition of the management or stockholders of the target company, which will often result in litigation to enjoin the proposed transaction; (ii) intervention of a federal or state regulatory agency; (iii) efforts by the target company to pursue a "defensive" strategy, including a merger with, or a friendly tender offer by, a company other than the offeror; (iv) in the case of a merger, failure to obtain the necessary stockholder approvals; (v) market conditions resulting in material changes in securities prices; (vi) compliance with any applicable federal or state securities laws; and (vii) inability to obtain adequate financing. Because of the inherently speculative nature of event-driven investing, the results of the Clients' operations may be expected to fluctuate from period to period. Accordingly, Clients should understand that the results of a particular period will not necessarily be indicative of results that may be expected in future periods.

Distressed Securities. The Clients' investments in distressed securities are investments in business enterprises involved in workouts, liquidations, reorganizations, bankruptcies and similar situations. Since there is substantial uncertainty concerning the outcome of transactions involving such business enterprises, there is a high degree of risk of loss by the Clients of its entire investment in such companies. In addition, distressed securities can often be expected to consist of financial instruments or obligations for which no market exists and which are restricted as to their

transferability under federal or state securities laws. The sale of such investments may be possible only at substantial discounts. The market prices of distressed securities 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 securities may be greater than those prevailing in other securities markets. It may take a number of years for the market price of such securities to reflect their intrinsic value. The level of analytical sophistication, both financial and legal, necessary for successful investments in companies experiencing significant business and financial difficulties is especially high. There is no assurance that OCM will correctly evaluate the prospects for a successful reorganization. Debt securities of financially troubled issuers are also subject to the significant risk of an issuer's inability to meet payments on the obligations (i.e., credit risk) and also may be subject to price volatility due to such factors as interest rate sensitivity, market perception of the creditworthiness of the issuer and general market liquidity (i.e., market risk).

Special Situation Investments. For each Client that has elected to participate in Special Situation Investments, the amount of such Client's investment that will be allowed to participate in Special Situation Investments will not exceed 15 per cent of the Net Asset Value of such Client's total account (determined at the time that any such Special Situation Investment is designated as such by OCM, and based in each case on the cost thereof). Clients will not be able to readily dispose of Special Situation Investments and, in some cases, may be contractually prohibited from disposing of such investments for a specified period of time. Special Situation Investments will be valued at fair value (which may be cost) until realised or deemed realised. There is no guarantee that this value will represent the value that will be realised by the Client on the eventual disposition of the Special Situation Investment.

Investments in Unlisted Securities. The Clients may invest in unlisted securities. Because of the absence of any trading market for these investments, it may take longer to liquidate, or it may not be possible to liquidate, these positions than would be the case for publicly traded securities. Although these securities may be resold in privately negotiated transactions, the prices realised on these sales could be less than those originally paid by the Clients. Further, companies whose securities are not publicly traded will generally not be subject to public disclosure and other investor protection requirements applicable to publicly traded securities.

Fixed Income Securities. The Clients may invest in bonds or other fixed income securities, including, without limitation, commercial paper and "higher yielding" (including non-investment grade) (and, therefore, higher risk) debt securities. The Clients will therefore be subject to credit, liquidity and interest rate risks. Higher-yielding debt securities are generally unsecured and may be subordinated to certain other outstanding securities and obligations of the issuer, which may be secured on substantially all of the issuer's assets. The lower rating of debt obligations in the higher-yielding sector reflects a greater probability that adverse changes in the financial condition of the issuer or in general economic conditions or both may impair the ability of the issuer to make payments of principal and interest. Non-investment grade debt securities may not be protected by financial covenants or limitations on additional indebtedness. In addition evaluating credit risk for debt securities involves uncertainty because credit rating agencies throughout the world have different standards, making comparison across countries difficult. Also, the market for credit spreads is often inefficient and illiquid, making it difficult to accurately calculate discounting spreads for valuing financial instruments. It is likely that a major economic recession could disrupt severely the market for such securities and may have an adverse impact on the value of such securities. In addition, it is likely that any such economic downturn could adversely affect the ability of the issuers of such securities to repay principal and pay interest thereon and increase the incidence of default for such securities.

Concentration of Investments. While it is the policy of OCM is to seek to diversify the investment portfolios of its Clients in certain respects, the Clients may at certain times hold relatively few investments. The Clients could be subject to significant losses if it holds a large position in a particular investment that declines in value or is otherwise adversely affected, including default of the issuer. Subject to the investment guidelines set forth in the respective Offering Memoranda and investment management agreement, at any given time, it is possible that the Clients may make investments that are concentrated in a particular type of security, industry, market capitalization or geographical area. This limited diversity could expose the Clients to significantly greater volatility than a more diversified portfolio.

Leverage and Financing Risk. Where permitted by contract and regulations, Clients may leverage its capital when OCM believes that the use of leverage may enable the Clients to achieve a higher rate of return. Accordingly, the Clients may pledge its assets in order to borrow additional funds from dedicated credit and banking facilities for investment purposes. The Clients may also leverage its investment return with options, short sales, swaps, forwards and other derivative instruments. The amount of borrowings and other forms of leverage which the Clients may have outstanding at any time may be substantial in relation to its capital. While leverage presents opportunities for increasing the Clients' total return, it has the effect of potentially increasing losses as well. Accordingly, any event which adversely affects the value of an investment by the Clients would be magnified to the extent the Clients is leveraged. The cumulative effect of the use of leverage by the Clients in a market that moves adversely to the Clients' investments could result in a substantial loss to the Clients which would be greater than if the Clients were not leveraged.

Options. The Clients may buy or sell (write) both call options and put options, and when it writes options, it may do so on a "covered" or an "uncovered" basis. A call option is "covered" when the writer owns securities of the same class and amount as those to which the call option applies. A put option is covered when the writer has an open short position in securities of the relevant class and amount. The Clients' option transactions may be part of a hedging strategy (i.e., offsetting the risk involved in another securities position) or a form of leverage, in which the Clients has the right to benefit from price movements in a large number of securities with a small commitment of capital. These activities involve risks that can be substantial, depending on the circumstances.

Swap Agreements. The Clients may enter into swap agreements. Swap agreements may be individually negotiated and structured to include exposure to a variety of different types of investments or market factors. Depending on their structure, swap agreements may increase or decrease the Clients' exposure to long-term or short-term interest rates, currency values, corporate borrowing rates, or other factors such as security prices, baskets of equity securities or inflation rates. Swap agreements can take many different forms and are known by a variety of names. The Clients is not limited to any particular form of swap agreement if consistent with the Clients' investment objective and approach and applicable regulatory limitations.

Swap agreements tend to shift the Clients' investment exposure from one type of investment to another. For example, if the Clients agrees to exchange payments in Euro for payments in US Dollars, the swap agreement would tend to decrease the Clients' exposure to Euro interest rates and increase its exposure to non-Euro currency and interest rates. Depending on how they are used, swap agreements may increase or decrease the overall volatility of the Clients' portfolio. The most significant factor in the performance of swap agreements is the change in the specific interest rate, currency, individual equity values or other factors that determine the amounts of payments due to and from the Clients. If a swap agreement calls for payments by the Clients, the Clients must be prepared to make such payments when due. In addition, if a counterparty's creditworthiness

declines, the value of swap agreements with such counterparty can be expected to decline, potentially resulting in losses by the Clients.

Recent legislation and regulatory action in the United States is changing the market for certain types of derivative instruments, including swaps. Mandatory clearing of certain swaps, margin and reporting requirements may increase the costs associated with transacting in these markets or limit their availability to the Clients.

Short Selling. Short selling involves selling securities which are not owned by the short seller and borrowing them for delivery to the purchaser, with an obligation to replace the borrowed securities at a later date. Short selling allows the investor to profit from a decline in market price to the extent such decline exceeds the transaction costs and the costs of borrowing the securities. A short sale creates the risk of a theoretically unlimited loss, in that the price of the underlying security could theoretically increase without limit, thus increasing the cost to the Clients of buying those securities to cover the short position. A short sale presents greater risk than purchasing a security outright since there is no ceiling on the possible cost of replacing the borrowed security, whereas the risk of loss on a “long” position is limited to the purchase price of the security. Closing out a short position may cause the security to rise further in value creating a greater loss.

Forward Trading. Forward contracts and options thereon, unlike futures contracts, are not traded on exchanges and are not standardised; rather, banks and dealers act as principals in these markets, negotiating each transaction on an individual basis. Forward and “cash” trading is substantially unregulated; there is no limitation on daily price movements and speculative position limits are not applicable. The principals who deal in the forward markets are not required to continue to make markets in the currencies or commodities they trade and these markets can experience periods of illiquidity, sometimes of significant duration. There have been periods during which certain participants in these markets have refused to quote prices for certain currencies or commodities or have quoted prices with an unusually wide spread between the price at which they were prepared to buy and that at which they were prepared to sell. Disruptions can occur in any market traded by the Clients due to unusually high trading volume, political intervention or other factors. The imposition of controls by governmental authorities might also limit such forward trading to less than that which OCM would otherwise recommend, to the possible detriment of the Clients. Market illiquidity or disruption could result in major losses to the Clients.

Hedging Transactions. The Clients may utilise financial instruments, both for investment purposes and for risk management purposes in order to (i) protect against possible changes in the market value of the Clients’ investment portfolio resulting from fluctuations in the securities markets and changes in interest rates; (ii) protect the Clients’ unrealised gains in the value of the Clients’ investment portfolio; (iii) facilitate the sale of any such investments; (iv) enhance or preserve returns, spreads or gains on any investment in the Clients’ portfolio; (v) hedge the interest rate or currency exchange rate on any of the Clients’ liabilities or assets; (vi) protect against any increase in the price of any securities the Clients anticipates purchasing at a later date; or (vii) for any other reason that the Manager deems appropriate.

The success of the Clients’ hedging strategy will depend, in part, upon a correct assessment of the degree of correlation between the performance of the instruments used in the hedging strategy and the performance of the portfolio investments being hedged. Since the characteristics of many securities change as markets change or time passes, the success of the Clients’ hedging strategy will also be subject to the OCM’s ability to continually recalculate, readjust and execute hedges in an efficient and timely manner. While the Clients may enter into hedging transactions to seek to reduce risk, such transactions may result in a poorer overall performance for the Fund than if it had not engaged in such hedging transactions. For a variety of reasons, OCM may not seek to establish a

perfect correlation between the hedging instruments utilised and the portfolio holdings being hedged. Such an imperfect correlation may prevent the Clients from achieving the intended hedge or expose the Clients to risk of loss. OCM may not hedge against a particular risk because it does not regard the probability of the risk occurring to be sufficiently high as to justify the cost of the hedge, or because it does not foresee the occurrence of the risk. The successful utilisation of hedging and risk management transactions requires skills complementary to those needed in the selection of the Clients' portfolio holdings.

In certain transactions, the Clients may not be "hedged" against market fluctuations, or, in liquidation situations, may not accurately value the assets of the company being liquidated. This can result in losses, even if the proposed transaction is consummated. OCM may not hedge a position in the Clients' portfolio because a hedge may not be available, it may be too costly in light of the likelihood of the possible risk actually occurring or the risk simply could not be reasonably anticipated.

Highly Volatile Markets. The prices of financial instruments in which the Clients may invest can be highly volatile. Price movements of forward and other derivative contracts in which the Clients' assets may be invested are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. The Clients is subject to the risk of failure of any of the exchanges on which its positions trade or of its clearinghouses.

Counterparty Risk. Some of the markets in which the Clients may effect transactions are "over-the-counter" or "interdealer" markets. The participants in such markets are typically not subject to credit evaluation and regulatory oversight as are members of "exchange-based" markets. This exposes the Clients to the risk that a counterparty will not settle a transaction in accordance with its terms and conditions because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus causing the Clients to suffer a loss. Such "counterparty risk" is accentuated for contracts with longer maturities where events may intervene to prevent settlement, or where the Clients has concentrated its transactions with a single or small group of counterparties. Counterparties in foreign markets face increased risks, including the risk of being taken over by the government or becoming bankrupt in countries with limited if any rights for creditors. Subject to the investment restrictions contained herein, the Clients is not restricted from dealing with any particular counterparty or from concentrating any or all of its transactions with one counterparty. Moreover, the Clients has no internal credit function dedicated to the evaluation of the creditworthiness of its counterparties. The ability of the Clients to transact business with any one or number of counterparties, the lack of any meaningful and independent evaluation of such counterparties' financial capabilities and the absence of a regulated market to facilitate settlement may increase the potential for losses by the Clients. Counterparty risks also include the failure of executing brokers to honor, execute, or settle trades.

General Economic and Market Conditions. The success of the Fund's activities will be affected by general economic and market conditions, such as interest rates, availability of credit, credit defaults, inflation rates, economic uncertainty, changes in laws (including laws relating to taxation of the Fund's investments), trade barriers, currency exchange controls, and national and international political circumstances (including wars, terrorist acts or security operations). These factors may affect, among other things, the level and volatility of securities' prices, the liquidity of the Fund's investments and the availability of certain securities and investments. Volatility or illiquidity could impair the Fund's profitability or result in losses. The Fund may maintain substantial trading

positions that can be materially adversely affected by the level of volatility in the financial markets — the larger the positions, the greater the potential for loss.

Broker Risks. The Clients' assets may be held in one or more accounts maintained for the Clients by its prime brokers or at other brokers or custodian banks, which may be located in various jurisdictions, including emerging market jurisdictions. The prime brokers, other brokers (including those acting as sub-custodians) and custodian banks are subject to various laws and regulations in the relevant jurisdictions that are designed to protect their customers in the event of their insolvency. Accordingly, the practical effect of the laws protecting customers in the event of insolvency and their application to the Fund's assets may be subject to substantial variations, limitations and uncertainties. For instance, in certain jurisdictions brokers could have title to the Clients' assets or not segregate customer assets. Because of the large number of entities and jurisdictions involved and the range of possible factual scenarios involving the insolvency of a prime broker, another broker or a clearing corporation, it is impossible further to generalize about the effect of the insolvency of any of them on the Clients and its assets. The insolvency of any of the prime brokers, local brokers, custodian banks or clearing corporations may result in the loss of all or a substantial portion of the Clients' assets or in a significant delay in the Clients having access to those assets.

Exchange Rate Fluctuations; Currency Considerations. Whilst the functional currency of the Clients is US Dollars, the Clients' assets will often be invested in securities denominated in other currencies and any income or capital received by the Clients will be denominated in the local currency of investment. Accordingly, changes in currency exchange rates (to the extent unhedged) will affect the value of the Clients' portfolio and the unrealised appreciation or depreciation of investments. Furthermore, the Clients may incur costs in connection with conversions between various currencies. Currency exchange dealers realise a profit based on the difference between the prices at which they are buying and selling various currencies. The Clients will conduct its currency exchange transactions either on a spot (i.e., cash) basis at the spot rate prevailing in the currency exchange market, or through entering into forward or options contracts to purchase or sell non-US Dollars currencies. It is anticipated that most of the Clients' currency exchange transactions will occur at the time securities are purchased and will be executed through the local broker or custodian acting for the Clients. In addition, the Euro Shares and Sterling Shares of the Fund, which are payable and redeemable in Euro and Pound Sterling, respectively, may be affected favourably or unfavourably by currency fluctuations between the Euro or Pound Sterling and the Dollar, the functional currency of the Private Funds.

Associated Risks Specific to Investment in the Funds

Limited Redemption Rights. An investment in the Fund is suitable only for certain sophisticated investors who have no need for immediate liquidity in their investments. An investment in the Fund provides limited liquidity because Shares are not freely transferable and the redemption rights of shareholders are restricted. Shareholders may redeem portions of their Shares, subject to certain restrictions on timing. Special Situation Shares are not redeemable at the option of the holder.

In Specie Distributions. The Private Funds generally expects to distribute cash to a redeeming shareholder; however, a redeeming shareholder may, at the sole and absolute discretion of the Directors, receive an in kind distribution of assets of the Fund (including, without limitation, shares, debentures or securities of any other company, whether or not held by the Fund as of the applicable Redemption Day) in lieu of cash. In addition, there can be no assurance that the Fund will have sufficient cash to satisfy redemption requests, or that it will be able to liquidate investments at the time of such redemption requests at favorable prices. Under the foregoing circumstances, and

under other circumstances deemed appropriate by the Directors, a redeeming shareholder may receive in specie distributions from the Master Fund's portfolio, or may receive any combination of cash and in specie distributions, as may be determined by the Directors. Any in specie redemptions may be made directly to a redeeming shareholder, or through a liquidating entity managed by OCM or an affiliate thereof. Such investments so distributed may not be readily marketable or saleable and may have to be held by such shareholder for an indefinite period of time. The risk of loss and delay in liquidating these securities will be borne by the shareholder, with the result that such shareholder may receive less cash than it would have received on the date of redemption. As a result, an investment in the Fund is suitable only for sophisticated investors.

Absence of Regulatory Oversight. While the Fund and the Master Fund may be considered similar to investment companies, neither the Fund nor the Master Fund is required, or intends, to register as such under the 1940 Act. Accordingly, the provisions of the 1940 Act (which require, among other things, investment companies to have a majority of disinterested directors, that securities be held in custody and be individually segregated from the securities of any other person and marked to clearly identify such securities as the property of such investment company) are not applicable to investors in the Fund.

Business and Regulatory Risks of Private Funds. Legal, tax and regulatory changes could occur during the term of the Fund and the Master Fund that may adversely affect the Fund and the Master Fund. The regulatory environment for private funds is evolving, and changes in the regulation of private funds may adversely affect, among other things, the value of investments held by the Master Fund and the ability of the Master Fund to obtain the leverage it might otherwise obtain or to pursue its trading strategies. In addition, the securities and futures markets are subject to comprehensive statutes, regulations and margin requirements. Regulators and self-regulatory organisations and exchanges are authorised to take extraordinary actions in the event of market emergencies. The regulation of derivatives transactions and funds that engage in such transactions is an evolving area of law and is subject to modification by government and judicial action. The effect of any future regulatory change on the Fund could be substantial and adverse.

Supplementary Agreements with Shareholders. To the extent permitted by applicable law, in connection with an investor's subscription for Shares, the Fund, the Master Fund, OCM and/or the Manager may enter into a side letter or similar agreement (a "Supplementary Agreement") with such investor. A Supplementary Agreement may provide for, among other things, (i) the Directors' agreement to exercise their discretionary authority under the Articles in certain respects for the benefit of the investor (e.g., with respect to redemption rights), or (ii) the Directors' agreement to extend certain information rights or additional reporting to such investor, in some cases to accommodate special regulatory or other circumstances of the investor. The agreed upon terms in a Supplementary Agreement may require the Fund to establish a new class or series of Shares for one or more investors. The entry by the Fund, the Master Fund, OCM and/or the Manager into any Supplementary Agreement would not require the vote or consent of any shareholders unless such Supplementary Agreement constituted a modification of a class right of a particular Share requiring a class vote or consent in accordance with the terms of the Articles. In addition, the terms of any such Supplementary Agreement will not be disclosed to other shareholders unless the Directors, in their sole discretion, agree otherwise.

A full description of the risks associated with investing into the Private Funds may be found in the relevant OM for the fund. Separate account clients may contact OCM to obtain a copy of the full list of risks associated with an investment in OCM's strategy.

DISCIPLINARY INFORMATION

OCM and its employees have not been involved in any legal or disciplinary events in the past 10 years that would be material to a client's evaluation of the company or its personnel.

OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Oceanwood Capital Management Limited, an affiliated Malta company, has been appointed as Manager to both the Offshore Feeder Fund and the Master Fund. Oceanwood General Partner Limited (the "General Partner"), a Cayman Islands exempted company, serves as the general partner of the Onshore Feeder Fund. Christopher Gate (the "Principal"), or entities established on his behalf, is the majority owner and has the ultimate control of OCM and its affiliated entities.

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

OCM has adopted a Code of Ethics and Conflicts of Interest Policy and Procedures which, among other things, contains provisions designed to (i) prevent improper personal trading by employees; (ii) prevent improper use of material, non-public information about securities recommendations made by OCM or securities holdings of advisory clients and (iii) identify conflicts of interest, including monitoring of gifts and pay-to-play issues that could arise due to political donations by OCM or its personnel. OCM's Code of Ethics requires that Employees and immediate family members are required to obtain preapproval for personal trades in instruments which may be traded by OCM for client accounts. In addition, all employees must report their securities holdings on an annual basis and all transactions in personal accounts on a quarterly basis. OCM's CCO reviews all personal securities reporting to identify any potential conflicts of interest or appearances of impropriety. A copy of OCM's Code of Ethics is available upon request.

BROKERAGE PRACTICES

Best Execution

OCM may utilize various brokers and dealers to execute securities transactions. In exercising this discretion, OCM will seek to obtain "best execution." In evaluating and selecting brokers, OCM may consider, among other factors, the broker's reputation, integrity and financial wherewithal; its access to markets, information, research, and new issues of securities; its ability to commit capital when necessary to complete trades; its ability to enter into difficult transactions; its specialised expertise for certain securities; the competitiveness of the broker's price spread and total execution cost; the broker's clearance and settlement capabilities; the broker's past performance (promptness of execution, trade error rate and willingness to correct errors, accountability and responsiveness); and the broker's security procedures and procedures for the protection of confidential information.

Trade Errors

The terms of investment outlined in the OMs for the Private Funds provide that the Private Funds will absorb any losses associated with any trade errors in the Funds accounts in the absence of gross negligence or willful misconduct. However, it is OCM's intention to reimburse the Funds for any losses attributable to trade errors which might occur up to the amount of \$10million. Any losses over and above \$10million will be absorbed by the Private Funds.

Client Commission Usage

In accordance with the FCA Rules, OCM may effect transactions or arrange for the effecting of transactions through brokers with whom it has "bundled brokerage" arrangements. The benefits provided under such arrangements will be intended to assist OCM in the provision of investment

services to the Master Fund and will not impair compliance with OCM's duty to act in the best interests of the Master Fund. Specifically, OCM may agree that a broker shall be paid a commission in excess of the amount another broker would have charged for effecting such transaction so long as, in the good faith judgement of OCM, the amount of the commission is reasonable in relation to the value of the brokerage and other products and services provided or paid for by such broker. Such products and services may take the form of research or execution-related services and may include, among other things, written analyses concerning specific securities, companies or sectors, market, financial and economic studies and forecasts, and pricing or appraisal services, discussion with research personnel, special execution capabilities, order of call and the availability of stocks to borrow for short trades.

OCM will also operate, to the extent applicable, within the safe harbor created by Section 28(e) of the US Securities Exchange Act of 1934, as amended. Soft dollars generated in respect of futures, currency and derivatives transactions and principal transactions (that are not riskless principal transactions) that do not generally fall within the safe harbor created by Section 28(e) will be utilised only with respect to research related products and services for the benefit of the Master Fund. Under Section 28(e), research obtained with soft dollars generated by the Master Fund may be used by OCM to service accounts other than the Master Fund. Where a product or service obtained with soft dollars provides both research and non-research assistance to OCM, OCM will make a reasonable allocation of the cost which may be paid for with soft dollars. In the event of any conflict between the FCA Rules relating to bundled brokerage and OCM's U.S. compliance obligations relating to soft dollars, OCM will adopt the more restrictive standard.

REVIEW OF ACCOUNTS

OCM employs a tailored approach appropriate to account review, with trade strategies being categorised into silos initially, then consolidated for a beta and delta adjusted portfolio level view. Liquidity, sector/country concentrations, foreign exchange, credit, and equity market risks are managed at the portfolio level. OCM has developed an independent risk analysis system which is integrated with a vendor supplied order management application combining a suite of portfolio management, trading, and operations tools which provide electronic trade execution, real-time portfolio profit and loss reporting, risk metrics, and portfolio statistics for client reporting.

The portfolio is subject to analysis and review by a risk committee made up of senior individuals from portfolio management, risk management, and business management. The risk committee generally meets monthly, or more frequently as required, to review the risk levels of the portfolio and to determine if any risk reduction actions are required.

CLIENT REFERRALS AND OTHER COMPENSATION

No one other than clients provide an economic benefit to OCM for the provision of investment advice or other advisory services. OCM does not currently compensate any unaffiliated third party to solicit clients on behalf of OCM or serve as placement agent for the Private Funds.

CUSTODY

OCM does not maintain physical custody of client funds or securities. All client funds and securities are maintained with qualified custodians who send quarterly, or more frequent, account statements directly to clients. All clients should carefully review those statements. In addition, with regard to the Private Funds, as investment manager, OCM will ensure that each fund is audited on an annual

basis in accordance with US GAAP and the audited financial statements are distributed to investors within 120 days of the relevant Fund's fiscal year end.

INVESTMENT DISCRETION

Under the investment management agreement, OCM has full discretion, subject to the control of and review by the Directors, to invest the assets of the each of the Private Funds in a manner consistent with the investment objective, approach and restrictions described in the Funds' OM (and the corresponding offering document of the US Feeder, as applicable). In addition, under the investment management agreements entered into with separate account clients, OCM retains full investment discretion over the client accounts.

VOTING CLIENT SECURITIES

Event-driven investing as practiced by OCM involves the voting of proxies on behalf of clients, particularly where a position has been established related to an event involving shareholder approval or consent. Proxies are voted in a manner consistent with the best interests of the Private Funds and their shareholders as determined by OCM. Proxies are brought to the attention of the portfolio managers of the applicable Private Funds, and after assessment, the portfolio manager will direct proxies to be voted in a manner that he or she believes will better protect or enhance the value of the investment for the Private Funds. Portfolio managers may abstain from voting a proxy when he or she concludes that such a vote will have no impact on the value of the position or that the potential benefit from voting the proxy is outweighed by the cost of voting the proxy. OCM utilizes services from Institutional Shareholder Services (ISS) and ADP Investor Communication Services, Inc. to receive information on proxies and to record votes submitted.