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This brochure provides information about the qualifications and business practices of UBS O'Connor LLC ("O'Connor"). If you have any questions about the contents of this brochure, please contact Sal DiGangi at 212-821-6206 or email him at sal.digangi@ubs.com.

The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about UBS O'Connor LLC also is available on the SEC's Website at www.adviserinfo.sec.gov. You can search the SEC's site by a unique identifying number known as a CRD number. O'Connor's CRD number is 108754.

An investment adviser does not have to demonstrate or meet any minimum level of skill or training to register with the United States Securities and Exchange Commission.

Item 2 Material Changes

Since our last updating amendment, filed on March 31, 2014 we have made the following material changes.

Item 4 was updated to reflect the fact that O'Connor is an Investment Adviser to a Fund registered in accordance with the Investment Company Act of 1940.

Item 7 was updated to reflect the fact that O'Connor is an Investment Adviser to a Fund registered in accordance with the Investment Company Act of 1940.

Item 8 was updated to clarify the descriptions of investment strategies used by O'Connor.

Item 10 was updated with a reference to a new sub advisory agreement with an affiliated sub-advisor..

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Item 4 Advisory Business

A. General Description of the Firm

UBS O'Connor LLC ("O'Connor"), a wholly owned subsidiary of UBS AG, is part of UBS Global Asset Management's Alternative division. O'Connor was established in January 2000 when a proprietary trading group within UBS' Investment Bank was transferred to the Asset Management division and established as a newly formed investment management entity. O'Connor has been an SEC-registered investment adviser since January 2000.

O'Connor's principal office is located in Chicago, Illinois with another office located New York, New York. O'Connor has a sub-advisory agreement in place with each of the following affiliated entities: a) UBS O'Connor Limited, which maintains an office in London and is authorized and regulated in the UK by the Financial Conduct Authority; b) UBS Global Asset Management (Hong Kong) Limited, regulated by the Securities and Futures Commission of Hong Kong; c) UBS Global Asset Management (Singapore) Ltd, regulated by the Monetary Authority of Singapore and d) UBS Global Asset management (Americas) Inc. For additional information see Section 10.

B. Advisory Services

Currently O'Connor primarily provides discretionary investment advice to private funds which are exempt from registration under the Investment Company Act of 1940, as amended, (the "Investment Company Act") and offshore investment funds (the "Funds") offered solely to non US persons and an Investment vehicle which is registered in accordance with the Investment Company Act of 1940 collectively, (the "Funds"). O'Connor has full discretion to invest in securities of any type without limitations on geographical markets consistent with applicable offering documents. Types of investments which O'Connor may offer investment advice on, include but are not limited to: (1) equity and debt instruments; (2) forward and spot currency contracts; (3) foreign government and foreign government agency securities; (4) repurchase agreements and reverse repurchase agreements; (5) convertible securities, distressed debt, and preferred stock; (6) privately placed (and therefore not publicly traded) securities; (7) physical commodities (such as gold); (8) mortgage-backed securities; (9) various derivative instruments, including, without limitation, swaps, cash for difference (CFDs), options and structured notes; (10) private investment funds, which may or may not be associated with O'Connor or one of its affiliates; and (11) exchange traded funds. As previously stated, O'Connor's manages the Fund according to each Fund's organizational documents and offering memorandum.

O'Connor does not currently provide investment management services to any managed accounts. In the future O'Connor may decide to offer managed accounts to select ultra-high net worth or institutional clients. In that case, O'Connor generally would have discretionary investment management authority subject to certain guidelines and parameters set forth in the managed account agreements between O'Connor and its clients. The guidelines and parameters applicable to each client's account would be individually negotiated with such client and customized to meet such client's particular needs and objectives.

C. Client Assets

As of January 1, 2015, O'Connor is actively managing \$5,312,792,085 of clients' net assets on a discretionary basis.

Item 5 Fees and Compensation

As compensation for its services, O'Connor generally receives a monthly or quarterly management fee from a Fund in an amount equal to a percentage (typically 1-2% annualized) of the net assets managed by O'Connor as determined at the end of the month or the quarter, respectively. Fees will be calculated based upon the aggregated market value of all assets under management within a Fund, including allocations to cash. In the event of termination during a monthly or quarterly period, prorated adjustments in management fees are made, as appropriate.

O'Connor may receive a performance based fee or allocation, based on percentage (typically 20% annualized) of profits earned within the applicable determination period (typically at the end of each calendar quarter). The term "profits" refers to an increase in the value of the net asset value of a Fund during the calculation period which is attributable to the net realized and unrealized gains arising from the account's investment activities (after deducting certain expenses). Any performance based fees or allocations are structured in compliance with the Investment Advisers Act of 1940. Such performance based compensation is calculated and paid either quarterly or annually and is usually subject to a "high water mark" such that a performance based fee or allocation may only be paid after recoupment of all prior investment losses.

Generally, management fees and performance based fees are paid at the frequency and rate disclosed in the applicable offering memorandum by the Investors delegate (e.g. fund administrator); however there may be cases where O'Connor bills a client separately. Management fees and performance based fees and allocations may be reduced, waived or calculated differently with respect to certain investors in funds managed by O'Connor.

Sub-Advisers do not receive any compensation directly from the Funds with respect to the investment services/advice they provide. Rather, O'Connor compensates the Sub-Advisers for the advice rendered. Management and performance fees will not be charged by O'Connor with respect to client investments in other investment funds managed by O'Connor. Managers of private funds purchased by O'Connor for client accounts do receive compensation directly from O'Connor clients. However, O'Connor reimburses the client (e.g., fee waiver equal to the management and/or performance based fees paid to the third party manager) such that, in both cases, investors in Funds managed by O'Connor do not bear additional management fees or performance based fees.

Management fees and performance based fees payable to O'Connor are separate, distinct, and in addition to expenses that may be charged by the funds and disclosed in the applicable offering memorandum. Funds managed by O'Connor will pay transaction related costs including, without limitation: brokerage commissions; exchange, regulatory and user fees; interest on margin accounts and other indebtedness; borrowing charges on securities sold short; custodial fees; bank service fees; withholding and transfer fees; entity-level taxes; fees and expenses relating to investments in ETFs; expenses related to currency exchanges, currency hedging; professional fees (including, without limitation, expenses of consultants and experts) relating to investments; legal fees; travel expenses related to investments; expenses incurred in connection with trade execution, clearance, settlement, confirmation and/or reconciliation; the fees and expenses related to prime brokerage, transaction counterparties and/or other service providers; and other expenses related to the purchase, sale or transmittal of fund investments, in the form of commissions and spreads, to banks, broker/dealers, futures commission merchants and other counterparties in connection with the acquisition and sale of portfolio securities and other instruments.

In addition, funds managed by O'Connor will also pay many other expenses, up to a cap. Generally, the cap is an amount equal to 0.75% per annum of the month-end net asset value of the fund (before giving effect to redemptions and prior to deducting any fees and transaction expenses). Such expenses unrelated to investments, including but not limited to fees for data and software providers; research expenses; technology expenses related to research and development; legal, accounting, audit and tax preparation expenses; entity-level taxes; governmental fees; regulatory expenses and fees (including, but not limited to, expenses incurred in connection with complying with SEC and CFTC reporting obligations, as well as out-of-pocket costs of preparing regulatory filings related to the fund or O'Connor as it relates to the funds; expenses related to the maintenance of a fund's registered office; expenses related to the establishment and operation of fund subsidiaries; expenses related to obtaining any licenses or permits; corporate licensing fees; board of directors' liability insurance premiums; board of directors' fees and expenses (including travel); organizational expenses; expenses incurred in connection with the offer and sale of shares of the fund (including any expenses and fees associated with the creation of additional classes and series of shares such as fees and expenses associated with the preparation or amendment of governing documents and amendments or supplements to offering documents); administration fees; expenses incurred in providing information to shareholders (including any fees associated with translation of fund documents and reports). In addition to these items, expenses of O'Connor, including, without limitation: personnel costs relating to finance, control, operational, legal, technology (research and development), trading and investment, logistical services, market data, premises, information technology, hardware, applications and software that will not be obtained through the use of soft dollars also fall within items in this category.

Management fees, performance based fees and applicable expenses/costs will be disclosed in more detail in a the applicable offering memorandum; however, management fees and performance based fees and allocations may be reduced, waived or calculated differently with respect to certain investors in the funds. As a general matter, fees payable to O'Connor will be deducted directly from the funds at a frequency disclosed in the applicable offering memorandum; however, there may be cases where O'Connor bills an investors separately.

Item 6 Performance-Based Fees and Side-By-Side Management

Investors should be aware that performance-based fee arrangements may create an incentive to recommend investments which may be riskier or more speculative than those which would be recommended under a different fee arrangement. In addition, since the performance compensation will be calculated on a basis that includes unrealized appreciation of a Fund's net asset value, such compensation may be greater than if it were based solely on realized gains.

As disclosed in Item 5 above, some investors in Fund's managed by O'Connor may not be charged performance-based fees. Accordingly, there may be an incentive to favor Funds that pay performance based fees over those that do not because the compensation earned by O'Connor is more directly tied to the performance of incentive fee paying funds.

As such, conflicts of interest can arise when managing Funds next to each other that charge different

levels of fees. O'Connor seeks to resolve these potential conflicts of interest by implementing appropriate processes. Specifically, prior to implementing performance based fee arrangements, these arrangements will be reviewed by our firm to assess whether the proposed fee arrangement would unfairly disadvantage any of our Fund Investors. Additionally, O'Connor has a trade allocation policy, monitored by compliance, which seeks to allocate, to the extent possible, investment opportunities over a period of time on a fair and equitable basis to all funds. Furthermore, certain Funds are subject to legal/regulatory restrictions that other Funds are not and this may have an impact on the manner in which some securities are allocated.

Item 7 Types of Clients

As noted in Item 4, O'Connor primarily provides advisory services to private funds which are exempt from registration under the Investment Company Act of 1940, as amended, (the "Investment Company Act") and offshore investment funds offered solely to non-US persons. Investments in these Funds are generally limited to Qualified Purchasers as that term is defined under the Investment Company Act and non US investors. In addition O'Connor provides advisory services to an Investment Company which is registered in accordance with the Investment Company Act of 1940.

O'Connor will consider managing a separate account on a case by case basis.

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

Methods of Analysis

O'Connor primarily uses a combination of fundamental and/or quantitative analysis when formulating its investment advice and/or managing the funds' assets. Despite the foregoing, nothing limits O'Connor from utilizing other methods of analysis as it sees fit.

Fundamental: O'Connor will attempt to measure the intrinsic value of a company by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is under priced (indicating it may be a good time to buy) or overpriced (indicating it may be a good time to sell). This type of analysis is conducted primarily from a bottom-up view. This bottom-up analysis typically involves continually monitoring companies looking for change or fundamental trends within them. Views are also taken as a result of various macroeconomic factors such including, without limitation yield curve, credit spreads, consumer and commercial credit trends, security issuance and fund flows. Typically, target prices are maintained, which are driven by O'Connor's view of the relative fundamental valuation metrics that each company should trade at given the quality of management, company positioning in the marketplace, the effect of changes in the macroeconomic or regulatory environment on the company or the sector to which it belongs. While O'Connor will also look to identify markets and sectors that may be benefited or harmed by the current macroeconomic environment, O'Connor does not attempt to use fundamental analysis to anticipate market movements. This strategy presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating such security.

Quantitative: O'Connor attempts to analyze a variety of factors to make long and short investments designed to capture systemic price anomalies. These factors include, but are not limited to, technical, valuation, profitability and macroeconomic indicators such as measures of price appreciation, dividend payments, forward earnings forecasts and long-term interest rates. O'Connor uses various sources of information, including, but not limited to, : financial newspapers and magazines; inspections of corporate activities; sell-side research materials; buy-side research materials; corporate rating services; timing services; annual reports, prospectuses and other filings with the Securities and Exchange Commission; company press releases; industry publications; industry conferences and industry consultants.

Investment Strategies

O'Connor employs a number of investment strategies in connection with its investment management services. Investors who invest in Funds managed by O'Connor should carefully read the relevant offering memorandum for specific information applicable to that particular Fund and to ensure that the investment is appropriate considering, among other considerations, their own investment objectives, risk tolerance, and time horizons. When managing its Funds, O'Connor will principally use one or more of the following strategies:

Fundamental Equity Market Neutral Long/Short. An equity-based long/short market neutral strategy that seeks to capture relative value discrepancies on a global basis by investing in both stocks and options and other securities of companies within covered sectors and sub-sectors. Investment decisions are generally based on fundamental and statistical analysis. Generally, positions within this strategy are hedged daily with futures on the S&P, Eurostoxx, Nikkei, NASDAQ and other indices in an effort to minimize sector and sub-sector exposure. Several levels of analysis are conducted in an attempt to ensure that portfolio exposure to unwanted systematic risk is reduced or eliminated. Investment decisions are based on fundamental comparisons, which are determined, in part, using proprietary company-specific models that help identify earnings direction as well as the fundamental valuation.

Long/Short Equity. An equity based strategy that seeks positive absolute returns by actively trading in stocks, options and other securities of companies primarily within covered sectors and sub-sectors. This strategy generally takes directional views and therefore has a net long or net short exposure in the covered sectors and sub-sectors. Investment decisions are generally based on fundamental comparisons, which are determined, among other ways, using proprietary company-specific models that help identify earnings direction as well as the fundamental valuation. Such "bottom-up" analysis is combined with a "top-down" view of opportunities across the various sectors. This strategy does not expect to maintain market neutrality within each sector.

Quantitative Fundamental Trading. This strategy combines unique fundamental data that is sourced from the O'Connor fundamental research analysts and combines that data with both technical and factor-based quantitative signals. The strategy currently runs in the US and in developed European markets. The strategy seeks to run an equity/long short portfolio that exhibits low correlation to the Fundamental Market Neutral Long/Short strategy. The success of the Quantitative Fundamental Trading strategy depends on the investment team's ability to exploit buy and sell signals in this data set and manage risks inherent in a multi-sector portfolio. Additionally, the team manages the risks associated with quantitative trading factors such as momentum, reversal, value, beta, etc. Generally, the Quantitative Fundamental Trading strategy has a higher turnover relative to other strategies at O'Connor. While the strategy primarily holds listed US equities it also trades non-US. Equities and equity linked products.

Global Convertible Arbitrage. An investment strategy that utilizes a screening process to identify areas of inefficiency in the global convertibles market through its proprietary and third party valuation and hedging models which include convertible bond, option, bond and swap pricing models. The strategy will attempt to purchase or sell convertible bonds, preferred stock, warrants or options that appear inexpensive or expensive relative to their underlying equity securities, which involves identifying and exploiting situations where the opportunity for convergence between theoretical value and the market price exists. This involves: (i) researching prospective securities and the issuing companies; (ii) selecting convertible securities that offer superior potential returns relative to their underlying securities; and (iii) determining how best to hedge risks associated with investments.

Credit Strategies. A fundamentally-based, long/short, relative value strategy that focuses on fundamental "bottom up" analysis to determine which part of a target company's capital structure has the most compelling risk profile. These positions may consist of taking long or short risk or arbitrage positions within a company's capital structure, including arbitrage positions between a company's equity and debt, and invest long and short in debt securities, equities and their related derivatives on an opportunistic basis. This strategy demands a thorough knowledge of both the fundamental and technical factors that drive debt, equity and derivatives prices.

Merger and Acquisition Trading. Generally, when trading merger arbitrage instruments, the goal is to trade the spread by purchasing (or selling short) securities of the target or subject of any announced merger, acquisition or contest for control and, subject to the deal type, shorting (or buying) the deal consideration. This strategy involves buying the target stock in a merger or acquisition and selling the bidder stock to lock in a spread. The number of positions within this strategy is dependant upon the level of merger activity within the market. Clearly defined catalysts, independent research, disciplined break-loss/downside risk assessment and options trading are core to this strategy's philosophy. Catalyst-driven opportunities are typically associated with, or serve as supplement to, the merger arbitrage research, analysis and trading. This strategy has the flexibility to make trades across all aspects of the involved entity's capital structure, where risk/reward is warranted. O'Connor may choose to trade in and out of a deal multiple times over the course of its lifetime and/or express its view of the deal not being consummated.

Opportunistic Investing. In addition to the foregoing, O'Connor may from time to time invest in a portfolio of options and derivatives on major global equity market indices and individual equities to exploit any opportunities caused by volatility in these markets. O'Connor may attempt to trade around certain core tactical value positions within a portfolio it expects to have high turnover, although some core positions may be held on a long term basis. O'Connor may make tactical investments which seek to take advantage of investment opportunities not generally available to other market participants such as private investments in public equity (PIPE) transitions. Such investments may be expressed in a variety of ways and include, but are not limited to, investments with/in third party managers that follow unique or specialized investment strategies such as "activist investing," private equity type investments, and individual companies which are known or introduced to O'Connor that may need capital for various purposes such as for expansion or replacement capital. O'Connor will evaluate each of these opportunities that fall in this category and only make investments where it believes the benefits associated with the given opportunities are in line with a Fund's overall investment objective.

The description set forth in this Brochure of services offered as well as strategies or securities used by O'Connor on behalf of its Funds and should not be understood to limit or constrain O'Connor's investment activities. O'Connor remains free to offer any advisory services, engage in any investment strategy and make any investment, including anything not described in this Brochure that O'Connor considers appropriate, subject to the objectives and guidelines of the funds. The investment strategies O'Connor pursues are speculative and entail substantial risk. There can be no assurance that any of the funds will achieve their investment objectives; therefore, such activities could result in a substantial loss of capital.

Material Risks

All investments carry a certain amount of risk and an investor in a fund may lose money by investing in a Fund pursuing any of the above mentioned strategies. O'Connor cannot guarantee that a Fund will achieve its investment objectives. Below is a summary of certain risks that may be associated with a Fund's strategies. This list of risk factors is not a complete enumeration or explanation of the risks associated with an investment in a Fund. Prospective investors in a fund should read the prospectus or offering documents, if any, in connection with investments in pooled funds. Investors should also consult with their own legal, financial, and tax advisors before deciding whether to invest in a Fund.

- **Management risk:** O'Connor's judgments about the fundamental value of securities or other factors showing the attractiveness of investments acquired for a Fund may prove to be incorrect. In addition, O'Connor's judgments about asset allocations, exposure to foreign currencies and other macro-economic factors may prove to be incorrect.
- **Risk of loss:** Investing in securities involves risk of loss that investors should be prepared to bear. The investment decisions that O'Connor makes for a Fund are subject to various market, currency, economic, political and business risks, and our investment decisions based on such factors will not always be profitable.
- **No guarantee of investment objectives:** O'Connor does not guarantee or warranty that a Fund will achieve its investment objectives, performance expectations, risk and/or return targets.

- **No government guarantee:** An investment in a Fund managed by O'Connor is not a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.
- **No UBS AG Guarantee:** An investment in a Fund managed by O'Connor is not a deposit account with UBS AG and is not guaranteed by UBS AG.
- **Personnel risk:** O'Connor generally utilizes a team approach to managing investment portfolios. However, certain strategies may be dependent upon the expertise of certain key personnel, and any future unavailability of their services could have an adverse impact on the performance of a Fund utilizing such strategies.
- **Diversification and liquidity risk:** O'Connor, unless otherwise agreed, will not be responsible for the overall diversification, asset allocation or liquidity needs of investors who invest in one of its Funds. In addition, certain of our strategies may be non-diversified and hold a low number of investments. An investment in a fund may require significant written prior notice and at predetermined intervals throughout the year meaning such an investment may not be suitable for someone who needs immediate liquidity associated with an investment.
- **Tax risk:** Investors in a Fund should consult their tax advisors regarding the tax consequences of their investments. O'Connor is not a tax advisor to Investors in the Funds and has not appointed any tax advisors or consultants on behalf of Investors in the Funds.
- **Risk of equity instruments:** For strategies investing in equities, there are various risks associated with investing in equity securities, including, without limitation, the following:
 - The stock markets where a Fund's investments are traded may shut down.
 - An adverse event, such as negative press reports about a company whose securities are held by a fund, may depress the value of the company's stock.
 - Small to mid-capitalization companies may have less diversified product or service offerings and less liquidity in the markets which increases their volatility.
- **Risk of fixed income investments:** Risk associated with investing in fixed income securities may include, without limitation the following:
 - Interest rate risk: If interest rates rise, the prices of fixed income securities in the portfolio may fall, and the longer the maturity of a fixed income security, the greater its sensitivity to changes in interest rates.
 - Credit risk: The issuer may default on its obligation to pay principal or interest, may have its credit rating downgraded by a rating organization or may be perceived by the market to be less creditworthy. Lower-rated bonds are more likely to be subject to an issuer's default than investment grade (higher-rated) bonds. Lower-rated bonds may have less liquidity and be more difficult to value in declining markets.
 - Prepayment risk: If interest rates decline, the issuer of a security may exercise its right to prepay principal earlier than scheduled, forcing the Fund to reinvest in lower yielding securities.
 - Extension risk: If interest rates rise, the average life of securities backed by debt obligations is extended because of slower than expected prepayments. This will lock in a below-market interest rate, increase the security's duration and reduce the value of the security.

- **Foreign country and emerging market risks:** Risk associated with investing in foreign and emerging markets may include the following:
 - Vulnerability to economic downturns and instability due to undiversified economies; trade imbalances; inadequate infrastructure; heavy debt loads; dependence on foreign capital inflows; governmental corruption and mismanagement of the economy; and difficulty in mobilizing political support for economic reforms.
 - Adverse governmental actions, such as nationalization or expropriation of property; confiscatory taxation; currency devaluations, interventions and controls; asset transfer restrictions; restrictions on investments by non-citizens; arbitrary administration of laws and regulations; and unilateral repudiation of sovereign debt.
 - Political and social instability, war and civil unrest.
 - Less liquid and less efficient securities markets; higher transaction costs; settlement delays; lack of accurate publicly available information and uniform financial reporting and accounting standards; difficulty in pricing securities and monitoring corporate actions; and less effective governmental supervision.
 - Changes in foreign currency exchange rates and in exchange control regulations may adversely affect the value of securities denominated or traded in non-US currencies.

The risks described above are generally more severe for emerging markets than for non-US developed markets.

- **Asset-backed and mortgage-backed securities risks:** Certain strategies may invest in securitized debt, including asset-backed securities (ABS) and/or mortgage-backed securities (MBS). The investment characteristics of MBS and ABS may differ from traditional debt securities in that interest and principal payments are made more frequently, principal may be prepaid at any time and a number of state and federal laws govern and may limit rights to the underlying collateral.
- **Derivatives risks:** The use of derivatives involves risks which are different from the risks associated with investing directly in securities. The primary risks of loss associated with derivatives are: (i) market risk – the risk that the market value of the investment will decline; (ii) credit risk – the risk that the counterparty to the transaction will default on its obligations; (iii) liquidity risk – the risk that the instrument will not be readily marketable; and (iv) valuation risk – the risk that the instrument may have only limited pricing sources. Additionally, investments in derivatives include the risk that changes in the value of a derivative may not correlate with the underlying asset, rate, index, or market. Gains or losses involving some options, futures and other derivatives may be substantial. While some derivatives strategies can reduce the risk of loss, the use of derivatives can also reduce the opportunity for gain or result in losses by offsetting favorable price movements in other investments. Derivatives may create leverage and may pose the risk of losing more than the amount invested.

- **Leverage risk:** Certain strategies may use derivatives or may borrow money and purchase investments in order to leverage or gear a fund's portfolio. If a Fund is levered and the investments decrease in value, the Fund's losses will be greater than if the fund's portfolio was not leveraged. In addition, if the return on an investment purchased with borrowed funds is not sufficient to cover the cost of borrowing, then the net income of the Fund will be less than if borrowing were not used. Derivatives that involve leverage can result in losses to the client's portfolio that exceeds the amount originally invested in the derivative instruments
- **IPO risks:** The purchase of shares sold in initial public offerings (IPOs) may expose the strategy to the risks associated with issuers that have no operating history as public companies, as well as potentially significant price fluctuations. Furthermore, there is no guarantee funds managed by O'Connor will be allocated IPOs in the future.
- **Short sales risk:** Short sales involve the risk that the Fund will incur a loss by subsequently buying a security at a higher price than the price at which the Fund previously sold the security short. This would occur if the securities lender required the Fund to deliver the securities the Fund had borrowed at the commencement of the short sale and the fund was unable to either purchase the security at a favorable price or to borrow the security from another securities lender. If this occurs at a time when other short sellers of the sale security also want to close out their positions, a "short squeeze" can occur. A short squeeze occurs when demand is greater than supply for the security sold short. Because the loss on a short sale arises from increases in the value of the security sold short, such loss is theoretically unlimited.
- **Non-publicly traded securities, private placements and restricted securities:** Investing in unregistered or unlisted securities may involve a high degree of business and financial risk that can result in substantial losses, due to the absence of a public trading market for these securities and the absence of public disclosure and other investor protection requirements applicable if the securities were publicly traded.
- **Illiquid securities:** Certain strategies) may invest in illiquid assets, such as private equity, venture capital, real estate, infrastructure, etc. Exposure to an illiquid asset class may be made by purchasing interests in a privately offered pooled investment vehicle ("Illiquid Asset Vehicle"). Investment in an Illiquid Asset Vehicle poses similar risks as direct investments in illiquid securities. In addition, investment in an Illiquid Asset Vehicle will be subject to the terms and conditions of the Illiquid Asset Vehicle's investment policy and governing documents which often include provisions that may involve investor lock-in periods, mandatory capital calls, redemption restrictions, infrequent valuation of assets, etc. Certain strategies may invest directly in illiquid securities with limited trading volume.

- **Investments in pooled investment funds:** In lieu of direct investment, certain strategies may invest in one or more pooled investment funds managed by O'Connor or its affiliates or by unaffiliated third party managers, including, mutual funds, exchange-traded funds (ETFs), collective investment funds, private funds, offshore funds, real estate funds, etc. A Fund's investments will be made in accordance with the Fund's offering documents (e.g., prospectus, offering memorandum, etc.) and governing instruments. In addition, to the extent a strategy invests in a pooled investment Fund, there may be additional risks discussed in the Fund's offering documents or governing instruments which are not discussed in this Brochure. Prior to investing in a Fund, O'Connor will assess whether it believes the investment is consistent with the Funds investment guidelines as well as applicable law and regulation (e.g., Investment Company Act, ERISA, etc.). An investor in a fund will generally bear, indirectly, fund investment expenses (e.g., brokerage commissions to execute portfolio trades, etc.) and operating costs (e.g., administration, custody, audit, etc.). When a client's account invests in an affiliated fund, the client will not normally pay any additional investment management fees to O'Connor in connection with investing in the affiliated fund. When investing in an unaffiliated fund, the client may bear, indirectly, fees paid by the fund to its investment manager.
- **Frequent trading:** Certain strategies may involve frequent trading of securities. Frequent trading can impact a portfolio's investment performance due to increased brokerage and other transaction costs. For taxable investors, frequent trading may also result in short-term capital gains which are taxed at a higher rate than long-term capital gains.

Investors may be subject to material risks other than those described above based on the specifics of their investment. Additional risks pertaining to specific clients are disclosed in applicable offering documents. Investors should carefully review the full description of risks presented in their offering documents.

Item 9 Disciplinary Information

On June 3, 2013, O'Connor voluntarily agreed to settle an SEC inquiry relating to Rule 105 of Regulation M under the Securities Exchange Act of 1934 without admitting or denying the SEC's allegations. Rule 105 generally prohibits purchasing an equity security in a registered secondary offering if the purchaser sold short the same security during a restructured period (usually defined as five business days before the pricing of the offering). Rule 105's prohibition applies irrespective of any intent to violate the rule and the issue at hand involved O'Connor's interpretation and application of the Separate Account Exemption allowed under the rule. O'Connor fully cooperated with the SEC at all times during its investigation, changed its policies and provided its employees with training on the new policy and, as part of the settlement, agreed to pay a civil money penalty of \$1,140,000, disgorgement of \$3,787,590 and prejudgment interest of \$369,766.

Item 10 Other Financial Industry Activities and Affiliations

In addition to being a registered investment adviser, the firm is registered as a commodity pool operator (“CPO”) with the National Futures Association.

O’Connor is a wholly owned subsidiary of UBS AG (“UBS”). Among UBS’ direct and indirect affiliates and related persons are various broker-dealers, investment advisers and banking organizations. Some of these related persons are also registered as commodity pool operators, commodity trading advisers or future commission merchants. O’Connor has and it anticipates it will maintain arrangements with UBS and its affiliates that are material to its advisory business. For example, O’Connor may from time to time enter into arrangements to purchase certain investment advisory, brokerage, and incidental services, and foreign exchange services from UBS and its affiliates. In addition, O’Connor has service level agreements with UBS and its affiliates pursuant to which the affiliates provide certain services including, but not limited to: technology production services, premises/corporate services, human resources services, financial control services, market risk services, legal services, compliance services, and equity trading support services.

As discussed under various Items of this disclosure statement, O’Connor engages in a variety of transactions involving its affiliates in connection with O’Connor’s investment products and services. O’Connor may serve as investment adviser for certain assets controlled by its affiliates.

O’Connor is not a broker/dealer in securities or foreign exchange; however, its ultimate parent company UBS is, as well as its affiliates UBS Financial Services, Inc., UBS Securities, Inc. and UBS Global Asset Management (US) Inc. Additionally, O’Connor utilizes the services of a number of UBS’s subsidiary companies that act as broker/dealers in the securities of its Funds and in foreign exchange to effect transactions in Funds it manages as well as sell securities to its Funds. Although O’Connor is not a party to the agreements, many of the Funds managed by O’Connor have executed prime brokerage agreements and/or administration agreements with UBS and its affiliates.

O’Connor is one of several entities within the UBS Global Asset Management Business Group (“UBS Global AM Group”), which includes: UBS Global Asset Management (US) Inc., UBS Global Asset Management (Americas) Inc., UBS Global Asset Management (Canada) Co., UBS Asset Management International Limited, UBS O’Connor Limited, UBS Realty Investors LLC, UBS Agrivest LLC, and Global Asset Management (USA) Inc., UBS Alternative and Quantitative Investments LLC, UBS Alternative and Quantitative Investments Limited, UBS Global Asset Management (Hong Kong) Limited, UBS Global Asset Management (Singapore) Ltd, and UBS Global Asset Management (Japan) Limited.

O’Connor has entered into a sub-advisory agreement with UBS Global Asset Management (Americas) Inc. O’Connor also has entered into sub-advisory or other service agreements with UBS Global Asset Management (Hong Kong) Limited, UBS Global Asset Management (Singapore) Ltd and UBS O’Connor Limited under which each have agreed to act as Participating Affiliates for certain strategies and each have associated persons whose functions and duties relate to the determination and recommendations made to O’Connor’s U.S. and non-U.S. clients. In addition to these relationships, O’Connor has an arrangement with Stelliam Management LP (“Stelliam”), a non-affiliated Investment Advisor, whereby Stelliam provides research and discretionary advice to one of O’Connor’s clients. Clients do not pay fees in excess of those disclosed in the applicable offering memorandum as a result of this allocation.

O'Connor's parent company, UBS, and a number of its subsidiary companies, act as futures commission merchants and commodity trading advisers with regard to futures, options and derivatives. UBS, and a number of its subsidiary companies, are engaged in banking activities.

O'Connor may effect U.S. and foreign securities or other investment transactions with its affiliates, including, but not limited to legal entities within UBS' Investment Bank for which O'Connor's affiliates will be compensated. Any such transactions, including agency, agency cross and principal transactions, will be effected in compliance with applicable law, including applicable regulations and interpretations of the Securities and Exchange Commission ("SEC") under the Investment Advisers Act of 1940 and where applicable the Investment Company Act of 1940. Such rules are designed to prevent some of the inherent conflicts of interest these transactions may present. For instance, principal transactions could allow O'Connor or its affiliates to place unwanted securities into a Fund it manages or could execute transactions at prices more favorable to O'Connor or its affiliate.

Agency cross transactions present similar conflicts in that the transaction may favor one Fund over the other. Agency transactions present a conflict in that transactions may be generated to earn additional compensation for O'Connor's affiliate. In order to prevent possible abuses by an advisor, the SEC rules regarding these types of transactions may include obtaining consent from the client and disclosing information regarding the transactions to enable the Fund to determine if consent should be given. All such transactions will be accomplished in accordance with best execution.

An agency cross transaction is a transaction where O'Connor acts as an investment adviser in relation to a transaction in which O'Connor or any person controlled by or under common control with our firm, acts as broker for both the advisory client and for another person on the other side of the transaction. O'Connor and its employees owe a duty of loyalty, fairness and good faith towards all clients. O'Connor may, at times, effect client transactions considered agency cross transactions, provided that the transaction is consistent with our firm's fiduciary duty to the client and that all requirements outlined in Sec. 206(3)-2 of the Investment Advisers Act are met.

O'Connor may at times arrange transactions directly between its Funds. O'Connor may arrange these transactions for a number of reasons including monthly rebalancing of certain client accounts within the same investment strategy or on an ad hoc basis when one account may have a need to sell a security that another account may have an interest in purchasing. In these circumstances, O'Connor may execute the transactions directly between the clients because O'Connor believes it is in each Funds best interest since the Funds may avoid incurring additional commission costs. As such, these transactions may not be charged a commission or any additional fees. Generally, the transactions are executed at the closing price on the primary exchange of the security or at another current market price independently set by a person other than O'Connor or in line with its valuation procedures.

UBS and its branches and subsidiaries around the world may buy, sell or hold securities that are held in account of O'Connor's Funds. O'Connor may, in compliance with applicable law, recommend or effect securities transactions, in which its affiliates, including UBS and UBS Investment Bank, may have an interest or position, make a market or have an underwriting role. Such transactions may be effected through an unrelated party or an affiliated party as required by applicable law. O'Connor makes its investment decisions independently of UBS and its affiliates. O'Connor may, from time-to-time, purchase securities issued by an affiliate and/or parent company, such as UBS, for funds where such a purchase is neither statutorily nor contractually prohibited. The types of securities may include, but are not limited to, common stock as well as short-term cash instruments such as commercial paper.

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

O'Connor has adopted a Code of Ethics (the "Code") which sets forth ethical standards of business conduct required from all employees, including compliance with applicable securities laws. The Code requires adherence to the specific provisions and general principals within the Code.

O'Connor has established various policies and procedures for implementing the Code in an effort to comply with its regulatory obligations. A sample of these policies covers the following:

1. No principal or employee of our firm may put his or her own interest above the interest of any client.
2. No principal or employee of our firm may buy or sell securities for his or her personal portfolio(s) where their investment decision is a result of information received as a result of his or her employment unless the information is also available to the investing public.
3. Employees are required to obtain prior approval for certain personal investments.
4. Policies associated with the maintenance of required books and records.
5. All employees are required to act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
6. Annual acknowledgement of the Code by all employees.
7. Policies requiring the reporting of Code violations to our senior management.
8. Any individual who violates any of the above restrictions may be subject to termination.

The Code is designed to assure that the personal securities transactions, activities and interests of our employees will not interfere with making and implementing decisions in the best interest of its Funds. At the same time, it is possible that employees may buy or sell for their personal accounts securities identical to or different from those recommended to our Funds. However, the Code generally requires employees to pre-clear all securities transactions, and imposes certain "lockout" periods whereby certain employees may not be able to trade in a particular security if we are recommending a transaction in that security for clients. These lockout periods are subject to certain exceptions upon approval by a compliance officer. Furthermore, employees are, subject to a few exceptions, required to hold equity securities and closed-end funds for a period of at least 30 days. One such exception is where the security or investment is held in an account in which an employee has an interest but which is subject to a discretionary investment management agreement, whether with O'Connor, an affiliate or an unaffiliated manager.

Securities owned by Funds managed by O'Connor or its affiliates, regardless of employee investment within that Fund, are not subject to personal trading rules under the Code.

A copy of our Code of Ethics is available to our advisory clients and prospective clients. You may request a copy by email sent to Sal.digangi@ubs.com, or by calling him at 212-821-6206.

As described in Item 10 certain clients of O'Connor engage in principal transactions with affiliates of O'Connor as counterparty, and may do so in the future.

As a subsidiary of UBS, O'Connor is subject to certain policies and procedures established or applicable to UBS and its subsidiaries that may limit or prohibit the investment in certain securities. Applicable securities may change at any time without notice to clients.

Item 12 Brokerage Practices

A. Best Execution

When selecting brokers and dealers to execute transactions, O'Connor seeks to obtain best execution and may consider factors such as a broker's or dealer's willingness to commit capital, financial stability, systems including electronic trading systems, facilities and recordkeeping, proprietary research and experience in the handling of similar transactions (based on size, market conditions and type of security, among other factors). To facilitate O'Connor's review and consideration of these factors, O'Connor utilizes, among other things, internal surveys completed by O'Connor's investment trading professionals, which analyze the overall value provided to funds by individual brokers or dealers; their rates of commission, mark-up and mark-downs; their applicable margin levels and financing rates and other applicable fees and charges; and their overall responsiveness to O'Connor. Additionally, O'Connor may consider a broker's or dealer's relative performance on industry surveys and studies of execution quality. In connection with O'Connor's policy to seek best execution, there may be occasions where O'Connor uses a broker or dealer that charges a higher transaction price if O'Connor determines in good faith that the amount of such cost is reasonable in relation to the value of the product and/or service provided by the executing broker or dealer. As a result of considering these factors, O'Connor may pay a broker or dealer a higher transaction price than the amount that would be charged by another broker or dealer to execute the same transaction.

B. Research and Other Soft Dollar Benefits

Investment management agreements with Funds authorize O'Connor to make use of soft dollars as described below. In addition, by executing the subscription documents of a fund managed by O'Connor, investors will be agreeing that O'Connor has the authority to engage in such practices.

O'Connor may also enter into both soft dollar and commission sharing arrangements ("CSAs") to obtain research and other soft dollar services from brokers and dealers (such brokers/dealers may also be affiliates of O'Connor). Such arrangements with brokers or dealers may include executions through electronic trading systems. Some of these arrangements do not fall within the safe harbor of section 28 (e) of the Securities Exchange Act of 1934 ("Section 28 (e)", in part because O'Connor can negotiate greater discounts from vendors by negotiating global agreements with its affiliates. In some instances, this would require the brokers or dealers paying for the service utilized by O'Connor to send the payment directly to such affiliate that paid the global bill which would also fall outside of the safe harbor of Section 28 (e). When entering into a soft dollar arrangement with a broker or dealer, O'Connor will identify a level of business it expects to conduct with that broker or dealer based on O'Connor's historic trading levels with that entity and with the assumption the broker or dealer will continue to provide client transactions with best execution. The actual amount of business transaction volume is allocated on the basis of the multiple factors described above.

O'Connor generally will obtain the following products/services that fall under Section 28 (e)'s definition of "research": research reports (in various formats) on particular companies, industries, sectors, markets (general and specific) and geographic regions; economic surveys and analyses; recommendations as to specific securities; on-line quotations, news and research services; trade execution, portfolio and risk management systems/software (which may include fees charged by consultants to build and/or maintain such systems); market data services, pricing services and feeds. All of the foregoing provides assistance to O'Connor in the performance of its investment decision making responsibilities on behalf of its funds. The items listed above may be allocated to O'Connor by one or more of its affiliates based on the number of trading professionals employed by O'Connor. These allocations are reviewed, but are not independently calculated by O'Connor. Therefore, it is possible that O'Connor will be allocated slightly more or less than its pro-rata share of these allocated expenses.

O'Connor may use soft dollars generated from Fund transactions to obtain non-research products and services, including without limitation, software and hardware for O'Connor's risk management, portfolio management, compliance, accounting, trade allocation and other internal systems and technological infrastructure (which may be allocated to it by one of more of its affiliates or shared by sub-managers as described above) that may be used by O'Connor's trading and non-trading professionals; consulting services, including consultant's travel and related expenses associated with the maintenance and development of such equipment and systems previously described; depreciation of hardware allocated by its parent company; corporate actions; data services; non-research publications and subscriptions; legal, audit and other professional consulting bills of the Funds by O'Connor.

Furthermore, O'Connor will use commission credits generated from transactions in Funds to obtain products and services that fall both within and outside of definition of "research" as that term is defined in Section 28 (e).

The use of both soft dollar arrangements and CSAs to obtain products and services will benefit, and create a conflict of interest for, O'Connor since it will not need to produce or pay for such products and services out of its own funds. Inherent in this conflict of interest is the fact that, generally, the greater the amount of brokerage services directed to a particular broker, the greater amount of soft dollar credits that will be granted from such broker to O'Connor. Furthermore, the cost of product and services purchased with soft dollars will be borne pro rata among Funds, and some products and services may be used to benefit Funds other than those who trades generated the soft dollar credits paid to obtain such products and services. Also, some Funds may not contribute any commission dollars towards soft dollar services and still benefit from soft dollar services.

C. Aggregation and Allocation

O'Connor may purchase or sell the same security or instruments for more than one Fund simultaneously. With respect to equity securities, when possible, orders for the same security are aggregated or "batched" to facilitate best execution and to reduce brokerage commissions and other costs. O'Connor effects batched transactions in a manner designed to ensure that no participating Fund is favored over any other Fund. Specifically, each Fund that participates in a batched transaction will receive the average share price for all the fills in that security on that business day, with respect to that batched order.

Securities purchased or sold in a batched transaction are allocated on a pro rata basis, unless certain exceptions noted below apply, to the participating Funds in proportion to the value of the initial order based on account size. O'Connor may, however, increase or decrease the amount of securities allocated to a particular Fund to avoid odd-lot or a small number of shares being held by a fund. In some instances, the procedures described above may adversely affect the size of the position or have a dilutive effect on the position held by a fund or the price paid or received by a fund, as compared with the position size or price that would have been received had no aggregation occurred. Generally exceptions to allocations across client accounts in a manner other than pro-rata are subject to review by compliance.

O'Connor will generally allocate initial public offerings ("IPOs") among eligible Funds on a pro rata basis. When determining if a Fund is eligible for an IPO O'Connor may take into consideration such factors as regulatory restrictions, investment objectives, time horizons, investment strategies, current portfolio holdings and weightings, tax issues, working capital, risk levels, trading volume attributable to each strategy with the broker from which the IPO opportunity arises. To the extent shares available in an IPO are not sufficient to allocate on a pro rata basis in a manner that would be meaningful for the funds, the shares may be allocated in another manner determined in good faith to be a fair allocation. Due to regulatory restrictions certain share classes may not be eligible to participate in IPOs.

D. Trade Errors

Although O'Connor employees exercise due care in making and implementing investment decisions, O'Connor may, from time to time, make errors with respect to trades made on behalf its Funds. Trade errors can occur in connections with (i) the placement of orders (either purchases or sales) in excess of or less than the intended amount, (ii) the sale/purchase of the a security where the intent was to purchase/sell, (iii) the purchase or sale of the wrong security, (iv) keystroke errors when entering electronic transactions, and (v) miscommunication among employees. The foregoing is not an exhaustive list.

As a general matter, if O'Connor commits a trade error that results in a net loss for a Fund, O'Connor will credit an amount equal to the net loss to that fund as soon as reasonably practical considering all relevant facts, which may include internal approvals. To the extent a net loss is caused by the mistake of a third party (such as a broker or other service provider), O'Connor will endeavor to recover such amounts from the responsible party.

Notwithstanding the foregoing, O'Connor has full discretion to resolve a particular trade error in a manner other than specified above after a complete investigation and evaluation of the circumstances surrounding the event.

Item 13 Review of Accounts

Every Fund is reviewed by investment specialists. These specialists will review the status of O'Connor's managed funds at least weekly and in most instances daily. The review process will include an ongoing consideration of major market and economic developments and their effects on the securities held the Fund. In addition, the review process will involve a review and analysis of the performance of the individual positions held in a fund, the performance of the entire portfolio of securities held in the Fund generally and the risks inherent in the individual positions and portfolio as a whole. Additionally, funds are reviewed by market risk personnel. Market risk personnel review accounts to determine whether any internal guidelines as well as contractual guidelines may have been violated.

The Funds board of directors will generally receive annual audited statements from O'Connor. Each of the investment funds that O'Connor advises or manages, will prepare and arrange for each investor the ability to obtain an audited financial report of such fund audited by such fund's independent auditors, as soon after the end of each fiscal year as is reasonably possible. Investors generally will also receive unaudited monthly performance reports at least quarterly. With respect to each U.S. investment fund managed or advised by O'Connor, each investor will receive tax information regarding each applicable fund that is necessary for the completion of such investor's U.S. tax returns.

Item 14 Client Referrals and Other Compensation

O'Connor has a policy with regard to the compensation of solicitors (which may include affiliates) for new business consistent with the Advisers Act O'Connor compensates such persons who introduce investors to investment funds managed by O'Connor out of a portion of the fees collected by O'Connor (i.e. such expenses are borne by O'Connor and not the funds). The duration of fees shared for each such arrangement varies on a case-by-case basis.

Representatives of O'Connor will, from time to time, speak at conferences and participate in programs sponsored by the prime brokers servicing its Funds. These conferences and programs are a means for O'Connor to be introduced to potential investors and are considered a value added service by the prime brokers. The prime brokers are generally not compensated by O'Connor for providing such "capital introduction" opportunities. However, the provision of these capital introduction opportunities, as well as any other services, by a prime broker may influence O'Connor in deciding whether to recommend the services of such prime broker in connection with the custody and execution related transactions of O'Connor's Funds. Additionally, these "capital introduction" services could be deemed to be part of the bundled services and fees that are charged to O'Connor's Funds and not to O'Connor itself, thus providing O'Connor with a benefit and an additional conflict of interest when recommending prime brokers to its Funds. These capital introduction opportunities are usually subject to written agreements between the prime broker and O'Connor.

Item 15 Custody

O'Connor does not maintain physical custody of any Funds' assets as all of O'Connor's Funds' assets are maintained by qualified custodians. However, the qualified custodians of these Funds may be affiliated with O'Connor therefore resulting in constructive custody of certain client accounts. For such Funds, an independent public accounting firm subject to inspection by the Public Company Accounting Oversight Board ("PCOAB"), audits the financial statements of those Funds. Audited annual financial statements of these Funds are distributed to their investors within 120 days of the funds' fiscal year end. Furthermore, O'Connor receives an internal control report containing an opinion from an independent public accountant with respect to custodial services provided by our affiliated custodians.

Item 16 Investment Discretion

O'Connor will provide discretionary investment management services to its Funds. O'Connor and its Sub-Advisers, one or more of which are affiliates will make investment related decisions without consulting the Funds. These decisions involve determinations regarding which securities are bought and sold for the Fund, the total amount of securities to be bought and sold, the brokers with whom orders for the purchase and sale of securities are placed for execution and the prices and commission rates at which such securities transactions are effected. O'Connor's discretionary authority in making investment related decisions may be limited by account guidelines, investment objectives and trading restrictions, as agreed between O'Connor and the Fund and a Fund's board of directors may limit O'Connor's discretionary authority with respect to brokerage by directing that transactions be effected or not effected through specified brokers.

Unless otherwise stated, any restrictions or limitations applicable to a Fund are disclosed in the applicable offering document.

Item 17 Voting Client Securities

Unless Funds have reserved voting rights to themselves, O'Connor will direct the voting of proxies on securities held in the Funds. O'Connor's proxy policy is based on O'Connor's belief that voting rights have economic value and must be treated accordingly. Generally, O'Connor expects the boards of directors of companies issuing securities held in the Funds to act as stewards of the financial assets of the company, to exercise good judgment and practice diligent oversight over the management of the company. While there is not an absolute set of rules that determine appropriate corporate governance under all circumstances and no set of rules will guarantee ethical behavior, there are certain benchmarks, which, if substantial progress is made toward, give evidence of good corporate governance. O'Connor has delegated ISS (an independent proxy voting and research service) the authority to exercise the voting rights associated with certain Fund holdings. Our delegation to ISS was made with the direction that the votes be exercised in accordance with O'Connor's proxy voting policy. O'Connor generally votes along with ISS' recommendation.

O'Connor has implemented procedures designed to identify whether O'Connor has a conflict of interest in voting a particular proxy proposal, which may arise as a result of its or its affiliates' client relationships, marketing efforts or banking, investment banking and broker-dealer activities. To address such conflicts, O'Connor has imposed information barriers between it and its affiliates who conduct banking, investment banking and broker-dealer activities. Whenever O'Connor is aware of a conflict with respect to a particular proxy, compliance undertakes a review and agrees to the manner in which such proxy is voted.

A copy of O'Connor's full proxy voting policy is available to investors in the Funds.

Item 18 Financial Information

O'Connor is not required to attach a balance sheet because it does not require or solicit the payment of fees six months or more in advance.

O'Connor has no financial commitment that impairs its ability to meet contractual or fiduciary commitments to its Funds.

O'Connor has never been the subject of a bankruptcy proceeding.