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Form ADV Part 2A – Disclosure Brochure

Important Disclosure:

This brochure provides information about the qualifications and business practices of Fore Research & Management, LP (“Fore Research”), an investment adviser registered with the United States Securities and Exchange Commission (“SEC”). If you have any questions about the contents of this brochure, please contact us at 212-984-3800. Registration with the SEC does not imply that Fore Research or its employees possess a certain level of skill or training. The information in this brochure has not been approved or verified by the SEC or by any state securities authority.

Additional information about Fore Research also is available on the SEC’s website at www.adviserinfo.sec.gov. IARD No. 130263

ITEM 2. MATERIAL CHANGES

Described below are material changes to the disclosure Fore Research provided in its last annual update of this brochure dated March 31, 2014.

Please note that the above summary addresses only changes that Fore Research has determined to be material, and therefore, does not reflect all of the changes that have been made to this brochure since the last update.

Currently, our Brochure may be requested by contacting Vineet Kapur, Chief Operating Officer at 212-984-3820 or vineet.kapur@foreresearch.com.

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ITEM 4. ADVISORY BUSINESS

Our Organization

Fore Research & Management, LP (“Fore Research”) is a Delaware limited partnership that was formed in December 2003. As of December 31, 2014, Fore Research has approximately \$4,449,440,000 of regulatory assets under management.

Among the clients of Fore Research are several private investment funds. For purposes of this Brochure, references to the “general partners” shall mean Fore Research’s related persons, Fore GP II, LLC and Fore GP III, LLC, entities which serve as general partners to certain private investment funds organized as limited partnerships. Fore Research and the general partners are under common control and share common employees and/or officers. Employees and officers of the general partners are considered by Fore Research as “persons associated with” it (as that term is defined in section 202(a)(17) of the Investment Advisers Act of 1940, as amended (the “Advisers Act”). As described in Item 10, personnel of the general partners will be subject to Fore Research’s overall supervision and policies and procedures. The relevant books and records of the general partners are the books and records of Fore Research for purposes of Section 204 of the Advisers Act. References to Fore Research in this brochure also include the general partners to the extent any of the general partners’ personnel engage in investment advisory activities.

Principal Owners

Yanxiu (“Matthew”) Li is the principal owner of Fore Research and the general partners.

Types of Services Offered

Fore Research typically provides investment advisory or management services on a discretionary basis to hedge fund clients which have been organized as limited partnerships and offshore companies. In addition, Fore Research has as its client a collateralized loan obligation. Fore Research’s investment products and strategies include, without limitation, a multi-strategy approach, a Japanese credit strategy and a collateralized loan strategy. (Item 8 provides more information about our investment strategies.) Fore Research does not provide financial planning services, and does not advise clients in the selection of other investment advisers.

Investment strategies utilized by Fore Research include, but are not limited to, long and/or short corporate credit, high yield and investment grade trading, event driven credit/equities, convertible arbitrage, long/short equity, distressed securities, private claims, and special situation investing, leverage loan investing, risk/merger arbitrage, commodities, opportunistic trading and various macro-themed trades.

Our portfolio strategies may involve investments in a wide range of asset classes, regions, sectors and markets, including, without limitation, investments in common stocks, preferred stocks, warrants, distressed securities, secured and unsecured debt, bank debt, subordinated bonds, investment grade and non-investment grade corporate bonds (including private placements), municipal securities, U.S. Government and agency securities, convertible securities (including stocks and convertible corporate bonds), real estate investment trusts, structured instruments, exchange traded funds and notes, derivatives, swaps including, without limitation, asset swaps and credit default swaps, including but not limited to swaps referencing corporate and sovereign debt, rights issued by businesses in capital raising activities, futures, forward contracts, foreign currencies, money market obligations, commodities and their over-the-counter counterparts. Strategies may also involve investments in, without limitation, collateralized loan

obligations or securitization vehicles, asset backed securities, and loans and other interests of companies including private loans.

Ability to Tailor Services and Impose Restrictions

Fore Research does not accommodate investor-specific restrictions on its investment strategies. It follows the investment restrictions and mandates of the individual funds or products that it advises.

Wrap Fee Programs

Fore Research does not participate in programs commonly referred to as “wrap fee” programs.

Assets Under Management

As of December 31, 2014, Fore Research manages approximately \$4,449,440,000 in client assets (regulatory assets under management), all of which were managed on a discretionary basis.

ITEM 5. FEES AND COMPENSATION

Fee Schedule

Fore Research provides investment advisory services to limited partnerships and other forms of pooled investment vehicles. For its services, Fore Research and its related persons are entitled to management fees and performance-based incentive fees and allocations, which vary among its clients.

Fore Research's management fees and performance-based incentive fees and allocations are set forth in the current confidential private offering memorandum of each of the private funds which it advises, and the applicable investment management agreements or partnership agreements. Item 6, below, provides more information about performance-based incentive fees and allocations. Management fee arrangements are established through written investment management and investment advisory agreements between Fore Research and each of its clients. Fore Research and/or its related persons have the discretion to waive or modify (and has waived or modified) fees and/or incentive allocations with respect to certain clients and/or investors in the private funds it advises. Management and performance-based fees are waived for investors who are employees of Fore Research. We generally deduct our fees directly from client accounts, subject to approval by the third-party administrator.

In addition, Fore Research serves as the collateral manager of Fore CLO Ltd. 2007-I, a cashflow collateralized loan obligation (the "Fore CLO"). Fore Research is authorized to charge the Fore CLO collateral management fees including a Senior Collateral Management Fee of 0.15% per annum, and a Subordinate Collateral Management Fee of 0.35% per annum. Fore Research has, to date, waived payment of these fees, but retains the right to begin charging them in the future.

Transaction Based Compensation

Fore Research and its employees do not accept compensation for the sale of securities or other investment products.

Other Fees and Expenses

In addition to Fore Research's advisory fees, clients will incur other fees, expenses and/or charges imposed by, among others, custodians, brokers, administrators and other service providers including, but not limited to, auditors, accountants, legal advisors and other providers of back and middle office functions.

Specific expenses clients may incur include, without limitation, investment-related expenses such as brokerage commissions, research expenses (including, without limitation, in respect of research-related travel, seminars and conferences), interest on margin accounts and other indebtedness, borrowing charges on securities, administration fees (including, without limitation, valuation services), a portion of the expenses related to obtaining insurance for the directors and officers of the Fore Research, the client and related entities, custodial fees, bank service fees, withholding and transfer fees, taxes, clearing and settlement charges, professional fees (including, without limitation, expenses of consultants and experts) relating to investments, fees of middle- and back-office service providers to the client and related entities (including, without limitation, in respect of accounting, trade, position and cash reconciliation services and other similar functions and onsite support in the Investment Manager's offices), expenses incurred in connection with prospective investments, expenses related to the purchase, sale or transmittal of investments, client-related compliance expenses (including, without limitation, expenses in respect of regulatory filings (including Form PF, the Alternative Investment Fund Managers Directive (the "AIFM Directive") and similar filings) made by the Fore Research), fees and expenses relating to client risk and

regulatory reporting systems, data warehouse and service providers (including, without limitation, order management, risk and profit and loss attribution systems and service providers), legal, internal and external accounting, audit and tax preparation expenses (including FATCA and similar compliance expenses), corporate licensing fees, organizational expenses, expenses related to the offer and sale of shares or interest of the client (including expenses attributable to compliance with the AIFM Directive and similar directives or expenses), other similar expenses related to the client or related entities, expenses related to disclosure and reporting requirements and investor requests, expenses incurred in respect of research, statistical, market data and portfolio services and software, fees and expenses related to the winding up and dissolution of the client or related entities and certain extraordinary fees and expenses determined by the client in its sole discretion. Please see the relevant offering memorandum and investment management agreement for the particular client for a description of these fees and expenses. These fees are exclusive of and in addition to Fore Research's fees and compensation.

We may also allocate a portion of certain clients' capital to money market funds, exchange-traded funds or other similar products. In addition to the fees and expenses discussed above, clients (and therefore their investors) will indirectly incur similar fees and expenses if we invest a client's capital in such money market funds, exchange traded funds or similar products, as these funds in turn pay similar fees to their investment managers and other service providers.

Please see Item 12 below for further discussion of the factors that Fore Research considers in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their compensation (*e.g.*, commissions).

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

Fore Research has entered into performance-based incentive fee and allocation arrangements with respect to its clients. Fore Research will structure any performance or incentive fee or allocation arrangement subject to Section 205(a)(1) of the Advisers Act in accordance with the available exemptions thereunder, including the exemption set forth in Rule 205-3. In measuring appreciation with respect to assets for the calculation of performance-based fees or allocations, Fore Research will include realized and unrealized capital gains and losses. The Fore CLO does not have a performance-based compensation arrangement.

Performance based allocations or fees typically range from 15% - 20% and are subject to what is commonly referred to as a “high water mark.” Generally, at the end of each fiscal year, a percentage of the realized and unrealized net profits, if any, allocated to a fund investor will be reallocated or paid to Fore Research, or the fund’s general partner – a Fore Research related person. In the event that a fund investor makes a withdrawal from a fund other than at the end of a fiscal year, the performance based allocation or fee will be determined and made as of the withdrawal date with respect to the amount withdrawn. The terms concerning performance based allocations and fees may be waived, reduced or otherwise modified or negotiated in Fore Research’s discretion (and have been reduced or modified with respect to certain investors in the private funds it advises). Specific terms and detail concerning management fees and performance-based incentive fees and allocations are set forth in the current confidential private offering memorandum of each of the private funds that Fore Research advises, and the applicable investment management agreements or partnership agreements.

Performance-based fees or allocation arrangements may create an incentive for Fore Research to recommend investments that may be riskier or more speculative than those which would be recommended under a different compensation arrangement. The performance-based amount that Fore Research and/or its related persons receives with respect to certain clients may create an incentive for it to favor those clients that pay a higher performance-based amount, as compared to clients for which it receives a lower performance-based amount, smaller clients, or from those clients from whom Fore Research receives a fee unrelated to performance such as an asset-based fee.

Fore Research has implemented procedures that aim to ensure that these potential conflicts do not influence the method through which it allocates investment opportunities. Fore Research has adopted policies and practices that seek to meet its fiduciary responsibilities and to ensure its trading practices are fair to all clients and that no client or account is advantaged or disadvantaged over any other. These procedures include Fore Research’s Trading Allocation and Aggregation policies and procedures. Because of the difference in client investment objectives and strategies, risk tolerances, tax status, and other criteria, there will be differences among clients in invested positions and securities held. In general, Fore Research aims to take the following factors, without limitation, into account in allocating securities or the sale thereof among investment advisory clients:

- *Pari passu* nature of the investment advisory clients, if any (e.g., certain investment vehicles are generally invested on a *pari passu* basis with the Fore Multi Strategy Fund);
- Positions out of equalization (e.g., if a client is traded *pari passu* to another client and holds positions in the same security or related securities out of proportion to the relative NAVs/trading level of these two clients);
- Client investment objective and strategies;
- Client risk profile and nature of risk of the security to be allocated;

- Portfolio asset mixture and issuer and industry concentration;
- Client's tax status;
- Any restrictions placed on a client's portfolio by the client or by virtue of federal or state law or regulation (such as, without limitation, ERISA restrictions);
- Net assets under management of the client;
- Size of available position and size of entire issue;
- Total portfolio invested position;
- Nature of the security to be allocated;
- Client leverage and margin constraints;
- Security liquidity including, without limitation, supply or demand for a security at a given price level;
- Market conditions;
- Timing of cash flows and account liquidity;
- Overall suitability; and
- Any other information determined to be relevant to the fair allocation of securities

Fore Research considers a client to be "eligible" for an allocation when it believes an investment is appropriate for a given client based on certain factors including, but not limited to, those factors outlined above. Fore Research makes decisions about eligibility based on its good faith judgment about appropriateness of investments for a client.

When allocating an investment opportunity after eligibility is determined, Fore Research considers the asset class focus, leverage, and the relative size of the clients, the total size of the investment opportunity available and whether and to what extent the investment is divisible. As a result, investments or the sale thereof may not be allocated *pro rata* based on the client's net assets under management. Additionally, a client may not participate in an investment if the securities available for allocation to the account are insignificant relative to the client's net assets (*de minimis* exception).

Fore Research aims to allocate investment opportunities among all eligible clients on a fair and equitable basis; however, there is no certainty that eligibility determinations and allocation processes will in fact result in fair and equitable allocations or that investment opportunities will be allocated to all clients or allocated according to any established standard.

Additionally, since the amount of fees paid/allocation made to Fore Research and/or the general partners is dependent on the net asset value and the profitability of the applicable client, Fore Research may have a conflict of interest in valuing the applicable clients' portfolios. To the extent Fore Research is responsible for valuing a client's portfolio, it will follow its documented valuation policies and consult with the third-party administrator to such clients in order to mitigate this risk.

Fore Research serves as an adviser to clients which may take conflicting positions based upon Fore Research's investment advice and management. For example, Fore Research could sell a particular security held by one or more clients at a time that another client is retaining the position, including, without limitation, in the case where one client must sell positions to generate cash to fund pending redemptions. In this case, Fore Research could harm the performance of the long-holding account for the benefit of the account that has executed the sales. The offering memoranda for its clients contain further discussions of such potential conflicts of interest which current and potential investors should review prior to investment.

ITEM 7. TYPES OF CLIENTS

Fore Research typically provides investment advisory or management services on a discretionary basis to its clients which are hedge funds, a single-investor vehicle investing generally *pari passu* with certain of such hedge funds, and a collateralized loan obligation.

Investors in each of the funds managed by Fore Research are required to meet certain suitability qualifications to enable the funds to maintain exemptions under the Securities Act of 1933 and the Investment Company Act of 1940, as amended (the "Investment Company Act"). Such funds generally require a minimum investment amount of \$1,000,000 (although Fore Research retains discretion to waive such minimums).

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

Investment Process

Fore Research aims to pursue an investment approach that includes fundamental research, macro views of economic developments, an analysis of market liquidity flows, and other technical and cyclical data. Sources of information that Fore Research considers include, among others, the following: financial newspapers and periodicals, inspections of corporate activities, third-party research materials, corporate rating services, SEC filings, and company communications. Fore Research's investment process is more fully described in each client's offering memorandum.

Please see Item 4, above, for additional information concerning the types of securities and instruments clients typically invest in.

Strategies

Strategies implemented by clients may include, without limitation, any one or more of the following:

Long/Short Corporate Credit / Capital Structure Arbitrage

In Fore Research's view, opportunities arise from time to time from the market mispricing the creditworthiness of issuers. In addition, Fore Research believes that corporate credit and other fixed income assets offer arbitrage opportunities either within a single issuer's capital structure or within a portfolio or tranching of credit instruments. Fore Research believes that these opportunities may be exploited through a combination of fundamental credit research including evaluating the business model, financials and industries of potential investments through an in-depth understanding of covenants and structuring techniques, and/or quantitative analytics.

When Fore Research believes a particular credit is over/undervalued, the strategy may involve selling/purchasing what it believes is the most over/undervalued security in the corporate structure, or a derivative instrument thereof. Identifying the security or derivative to be traded is a subjective evaluation made by Fore Research after considering factors such as pricing, seniority, covenants, maturity, whether the obligation is secured, relative valuation and risk/reward profile of each security in the corporate structure. Additionally, clients may be long one portion of an issuer's capital structure and short another when it believes the former is undervalued relative to the latter (including, without limitation, the pricing of the debt relative to the equity). Likewise, clients may be short one portion of an issuer's capital structure and long another when it believes the former is overvalued.

Clients may, as a result, be net long or short at any given point in time and are not required to maintain a balanced portfolio of long and short positions.

Convertible Arbitrage

Convertible arbitrage strategies involve investing in convertible securities that appear incorrectly valued relative to their theoretical value. The strategy generally consists of the purchase (or short sale) of a convertible security coupled with the short sale (or purchase) of the underlying security for which the convertible security can be exchanged to exploit price differentials, undervalued credit, or volatility. Fore Research may seek to hedge out the risk inherent in the stock; the remaining risk including credit, volatility, and/or interest rate risk may or may not be hedged.

Event Driven Credit/Equities

Clients may focus on special situations or discrete events that seem likely to materially affect the value of the securities of a particular company. Such events may include, without limitation: the restructuring of a company's balance sheet; a country's debt obligations; acquisition attempts; the acquisition or divestiture of assets or of a line or lines of business by a company; liquidations; the presence of undervalued assets that would attract outside investors seeking to realize those values; a significant management change; the turnaround of a depressed business; or shifts in government policies.

Long/Short Equities

The long/short equity strategy seeks returns through active investment in long/short equity portfolios within a market. Long positions will not necessarily be completely or even partially hedged by short positions, and short positions will not necessarily be completely or even partially hedged by long positions. Clients may, as a result, be net long or short at any given point in time and are not required to maintain a balanced portfolio of long and short positions. Fore Research may, under certain circumstances, utilize quantitative strategies and/or proprietary models and techniques to identify and exploit various inefficiencies in the market.

Opportunistic Trading: Macro Opportunities and Convex Instruments

Our clients seek investment opportunities on a global basis that express their macro viewpoints. These investments may include, without limitation, thematic investments including the securities of, or financial instruments concerning, individual companies, entire industry sectors, regions, or sovereign debt that trade at improper valuations due to market misperceptions, overly positive or negative sentiment and/or macroeconomic assessments, market technical conditions, or non-economic factors. In pursuing this strategy clients may express their views through trades concerning, without limitation, commodities, interest rates, sovereign debt, through trading in, securities or derivatives including, without limitation, credit default swaps, bonds, options, or commodities, foreign currencies, futures, or exchange traded funds.

Fore Research may also seek investment opportunities on behalf of its clients that present, in its view, convexity including an attractive risk/return profile. Trading in convex instruments include, for example, without limitation, purchasing credit default swaps with a tight spread, or purchasing out of the money options.

European Credit

Clients may seek capital appreciation over a limited investment horizon, primarily by acquiring short exposure to credit securities of, or financial contracts linked to the debt of, European governments, banks and other financial issuers (including senior or subordinated debt securities) that Fore Research believes may be significantly affected by certain financial or political events or changing market conditions. While this strategy generally intends to focus on relatively liquid securities and instruments within the credit markets to facilitate navigation of changing market conditions, investment in illiquid securities or instruments is also permitted.

Pursuit of upside appreciation will be sought generally through a portfolio of credit default swaps, bonds and other credit instruments and derivatives. Clients may purchase shares of exchange-traded funds ("ETFs") that are registered under the Investment Company Act, and shares of similar investment vehicles that are not registered under the Investment Company Act, and effect short sales of such shares. While it is expected to invest in currency markets predominantly for hedging purposes, clients may also

make such investments with the goal of achieving investment appreciation. Clients may also utilize a variety of other financial instruments for hedging or speculative purposes. While this strategy generally intends to pursue credit and other investment strategies on a basis similar to a long/short credit strategy, it is also expected, generally, for clients to have predominantly short positions with respect to credit securities of countries and financial institutions that Fore Research believes may be overvalued.

Japanese Credit

Clients may seek capital appreciation over a limited investment horizon primarily by acquiring short exposure, including through the use of derivatives, to credit securities of, or financial contracts linked to the debt of, Japanese and, to the extent that Fore Research deems appropriate, other Asian issuers that it believes may be significantly affected by changing market conditions, or that of countries whose credit may be affected by events in the region. This strategy intends to focus on credit securities of, or derivatives referencing, Japanese and other Asian issuers. Fore Research intends to pursue the strategy's objective by effecting mostly short sales of credit and debt securities when it believes that the market price of a security exceeds its fundamental value. While Fore Research initially expects the strategy's investment bias to be short, it may hold long positions or take an overall long investment bias when Fore Research believes attractive opportunities exist to buy these credits.

Pursuit of capital appreciation will be sought generally through a portfolio of credit default swaps, bonds and other credit instruments and derivatives of, or referencing, Japanese or other Asian issuers. Clients may also make opportunistic investments in other countries, regions and sectors, or in non-credit instruments (including, without limitation, currencies) as deemed appropriate by Fore Research. While it is expected to focus primarily on debt securities and related derivatives, under certain circumstances the clients may take long or short positions in equity securities of certain corporate issuers when, *inter alia*, Fore Research believes such securities are mispriced relative to their underlying debt securities, or relative to the issuer's peers, or otherwise. Clients may also hold long interests in debt, currency, commodities or other securities for investment or hedging purposes, including long investments in instruments that Fore Research believes may appreciate as a direct or indirect consequence of political, regulatory or market dynamics in the region. While this strategy generally expects to invest in currency markets predominantly for hedging purposes, it may also make such investments with the goal of achieving investment appreciation. Clients may also purchase shares of exchange-traded funds and shares of similar investment vehicles, which in each case may or may not be registered under the Investment Company Act and effect short sales of such shares.

New Issues

Certain clients are permitted to purchase and sell "new issues" (as defined under the rules and interpretations of the U.S. Financial Industry Regulatory Authority, Inc. (the "FINRA Rule")), and may sell new issues soon after purchasing them, including, for example, on the day of the offering in question. These clients have classes of shares in which certain classes will participate in the gains and losses arising from new issues, and other classes contain restricted investors who are not eligible to participate in such gains and losses, subject to the further terms of the offering memorandum for the particular Client.

Clients also may utilize these strategies to provide portfolio hedges and may pursue them through long or short biases and varying leverage ratios, and without diversification considerations.

Risks

Investing in securities involves substantial risks, including the risk of total loss of capital, that investors should be prepared to bear. It may not be suitable for all investors. Different investment strategies are subject to different types and degrees of risk and investors should familiarize themselves with the risks associated with the particular investment strategy they intend to invest in.

Typical investment risks include market risk typified by a drop in a security's price due to company-specific events (such as an earnings disappointment or a downgrade in the rating of a bond) or general market activity when securities values fall in general. Other risks include macro-economic factors such as a period of rising interest rates which could erode the value of a bond. Additionally, Fore Research clients typically engage in frequent trading which can affect investment performance, particularly through increased brokerage and other transactions costs and taxes.

Potential investors should refer to each client's respective offering memorandum where material risks associated with these strategies and securities are set forth more fully.

ITEM 9. DISCIPLINARY INFORMATION

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Fore Research's advisory business or the integrity of Fore Research's management. Fore Research has no such legal or disciplinary events to report.

ITEM 10. OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

The following related persons of Fore Research are the general partners of certain clients of Fore Research:

- Fore GP II, LLC
- Fore GP III, LLC

Fore Research supervises these general partners' provision of investment advice to its clients and its personnel are subject to Fore Research's policies and procedures, including its Code of Ethics (*see* Item 11, below). Books and records of the general partners will be deemed the books and records of Fore Research for purposes of Section 204 of the Advisers Act.

Although Fore Research has procedures in place which seek to mitigate conflicts, there may be certain inherent and potential conflicts of interest between Fore Research, its affiliates and their employees and principals, on the one hand, and clients, on the other hand. Potential conflicts of interest from these relationships include the following:

- Performance-based fees may create an incentive for the general partner to make and approve more speculative investments than it would otherwise make in the absence of such performance-based compensation. (See Item 6, above, for further information concerning this potential conflict and Fore Research's policies and procedures to address it.)
- The general partner and other Fore Research-related persons may provide investment advisory advice to other clients some of which may have the same, similar, or conflicting

investments objectives as other Fore Research clients. Fore Research and these general partners may, therefore, have a duty of loyalty to certain clients that may conflict with its duty of loyalty to other clients. Fore Research and its related persons may give advice and recommend securities to certain clients that may differ from advice given to, or securities recommended or bought for other clients, even though the investment objectives of such some of these clients may be the same or similar to those of other clients.

- Arrangements with certain clients and their investors may afford such clients and investors different terms than other clients and their investors, including, without limitation, with respect to liquidity, fees and expenses, subscription rights and the content and frequency of reports. Clients and their investors that have been granted access to portfolio information or enhanced transparency may be able to make investment decisions, including, without limitation, making additional capital contributions, making withdrawals and entering into hedging transactions designed to offset their exposure to investment positions taken by such client (which may be the same investment positions taken by other clients), based on information not generally available to other investors. In addition, certain investors may negotiate side letter arrangements that provide similar benefits to such persons. Any such investment decisions made by these other clients or their investors on the basis of such information, including any substantial withdrawals or redemptions, could adversely affect the market value of other clients' portfolios and therefore the value of investors' investments not being redeemed. Substantial withdrawals or redemptions by such other clients or their investors within a limited period of time could require the liquidation of securities positions more rapidly than would otherwise be desirable or otherwise be detrimental to the value of such securities, which may be the same investment positions held by other clients and therefore could adversely affect the value of investors' investment not being redeemed.
- Fore Research and these general partners may have conflicting duties of loyalty to clients to allocate limited investment opportunities. (See Item 6, above, for further information concerning this potential conflict and Fore Research's policies and procedures to address it.)
- None of Fore Research or its related persons will work exclusively on the investment activities of a single client. Fore Research and its related persons spend substantial time on other business activities, including those related to various existing and future pooled investment vehicles and other client accounts sponsored, formed, offered and managed by any of Fore Research's affiliates.
- Fore Research and/or its related persons may have a greater portion of their personal assets invested in certain of the clients than in the others. As a result, we may have a conflict of interest in allocating investment opportunities among client accounts. We will generally follow documented procedures in investment opportunities among client accounts. (See Item 6, above, for further information concerning this potential conflict and Fore Research's policies and procedures to address it.)
- Fore Research, the clients or their respective members, officers, directors, employees, principals or affiliates may come into possession of material, non-public information. The possession of such information may limit the ability of the clients to buy or sell a security or otherwise to participate in an investment opportunity.

These and other potential conflicts of interest are disclosed and discussed in the relevant offering memorandum for the particular client.

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

Fore Research has adopted a Code of Ethics (the “Code”) pursuant to SEC rule 204A-1, for the purposes of establishing the standards of business conduct and fostering a culture of honesty and accountability and assisting those covered by the Code to comply with the Advisers Act. The Code is applicable to all of Fore Research’s employees. A copy of the Code of Ethics is available to any client or prospective client, or to any prospective investor therein, upon request.

The Code of Ethics contains policies which address, among other things, the following situations:

- Compliance with Applicable Federal Securities Laws;
- Personal Account Trading:
 - Employees must obtain approval prior to effecting certain securities transactions specified in the Code of Ethics. Employees are required to disclose any and all brokerage accounts in which they have a direct or indirect interest or in which they have any beneficial interest. To facilitate the monitoring process, Fore Research receives duplicate confirmations, trade feeds and statements for the applicable brokerage accounts held by employees. Employees are also required to certify the accuracy and completeness of their reported brokerage accounts.
 - In some cases, employees may buy or sell securities that were also purchased or sold on behalf of Fore Research’s clients. To govern such transactions, Fore Research has adopted a personal securities trading policy that requires employees to receive pre-approval from both Fore Research’s compliance officer and either the CIO, President, or Director of Research prior to purchasing or selling a security in order to confirm and ensure that none of Fore Research’s employees will buy or sell a security on the same day as a client. Additionally, to avoid potential compliance and conflicts issues that may arise from short term personal trading, employees are subject to a thirty-day holding period.
 - Fore Research’s personal securities trading policy also applies to family members of employees living in the same household as the employee.
- Pre-Approval for IPOs, Private Placements, and Outside Business Activities;
- Providing and Receiving Gifts and Entertainment;
- Political Contributions;
- Reporting Violations to the Code; and
- Prohibition of Use of Insider Information.

Interest in Client Transactions

Fore Research may recommend clients to buy or sell interests in the same investment products in which it or related persons (such as Fore GP II, LLC, Fore GP III, LLC, or employees of Fore Research) have some financial interest, including ownership, and Fore Research and/or its related and affiliated persons may own, buy or sell for themselves the same securities that Fore Research may have recommended to clients. Fore Research's policies and procedures are intended to identify these and other potential conflicts of interest and assure that these situations are dealt with in a fair and equitable manner. Examples of specific potential conflicts of interest are described below.

Financial and Proprietary Interests

Fore Research and related persons may invest in securities or investment products in which clients may also have made investments. (Please see above for a discussion of our policies and procedures with respect to such transactions.) In addition, we recommend that prospective clients invest in the private investment funds we manage. Fore Research and its related persons have significant personal investments as investors in certain clients, including, without limitation, in the Japan Credit Opportunities Fund, LP where we or our controlling persons own more than twenty five percent (25%) of the client and therefore it may be deemed to be a principal account under the Investment Advisers Act of 1940, as amended (the "Advisers Act"). In addition, Fore Research and the general partners receive performance-based fees and allocations from clients.

Fore CLO, Fees Paid to Fore Research's Affiliate

Fore Research serves as the collateral manager of the Fore CLO. The Fore Multi Strategy Master Fund is the sole investor in the subordinated notes of the Fore CLO. Under the offering documents of the Fore CLO, Fore Research may charge the Fore CLO collateral management fees, which could result in additional compensation being paid indirectly to Fore Research by the Master Fund. (See response to Item 5, above for further information concerning Fore CLO-related fees.)

Cross Trades

Subject to the terms of individual agreements with its clients, Fore Research may cause the purchase and sale of securities between two or more client accounts – when Fore Research determines that they are in the best interests of all of the participating clients – pursuant to procedures that are designed to achieve prices that are fair to clients on both sides of the trade. Fore Research will not receive any compensation for effecting such transactions.

In the event that we effect a cross trade between a client in which we or our controlling persons own more than twenty five percent (25%) and another client account, such transaction may be deemed to be a principal transaction under the Advisers Act. Such transactions may create a conflict of interest for us because we may have an incentive to put our or our control persons' interests in such accounts before the interests of our clients in the other account. In order to mitigate this conflict of interest, we monitor the interests of our principals, their immediate family members and their affiliates in our client accounts, and we will not effect any cross trades between accounts if we believe that such trade would result in a principal transaction unless:

- 1) We believe that such transaction is in the best interest of the clients participating in the transaction; and
- 2) We obtain the consent of the applicable clients as required by the Advisers Act.

Additionally, please see the response to Item 6, above, concerning Fore Research's allocation policy and procedure which is designed to address certain of these potential conflicts of interest.

ITEM 12. BROKERAGE PRACTICES

Brokerage Selection

Fore Research has sole discretion to select brokers and dealers on behalf of its clients. Client transactions are allocated to various brokers and dealers. In selecting brokers and dealers to effect transactions, Fore Research will allocate to brokers and dealers generally on the basis of best execution, and in consideration of factors such as price, the ability of the brokers and dealers to effect the transactions, access to new issues, their reliability and financial responsibility, and the brokers' provision or payment of the costs of research and brokerage services which are of benefit to clients. Accordingly, if Fore Research determines in good faith that the commissions charged by a broker are reasonable in relation to the value of the research or brokerage services provided, Fore Research may direct clients to pay commissions to such broker which are greater than those commissions another broker might charge.

Brokers sometimes suggest a level of business they would like to receive in return for the various services they provide. Actual business received by any broker may be less than the suggested allocations, but can (and often does) exceed the suggestions, because total transaction volume is allocated on the basis of all of the considerations described above.

Fore Research may place transactions with a broker or dealer that: (i) provides Fore Research (or an affiliate) with the opportunity to participate in capital introduction events sponsored by the broker-dealer or (ii) refers investors to the client or to other products advised by Fore Research (or an affiliate). Although such capital introduction services and referrals may influence Fore Research in deciding whether to place transactions with such broker-dealers, Fore Research will place brokerage transactions with such broker-dealers only consistent with best execution.

Fore Research maintains policies and procedures to review the quality of executions, including periodic reviews by its investment professionals.

Research and Other Soft Dollar Benefits

From time to time, Fore Research may pay a broker-dealer commissions (or markups or markdowns with respect to certain types of riskless principal transactions) for effecting client transactions in excess of that which another broker-dealer might have charged for effecting the transaction in recognition of the value of the brokerage and research services provided by the broker-dealer. Fore Research will effect such transactions, and receive such brokerage and research services, only to the extent that they fall within the safe harbor provided by Section 28(e) of the Securities Exchange Act of 1934, as amended, and subject to prevailing guidance provided by the SEC regarding Section 28(e). Section 28(e) provides a "safe harbor" from a possible breach of fiduciary duty claim to investment managers who use soft dollars generated by their advised accounts to obtain investment research and brokerage services that provide lawful and appropriate assistance to Fore Research in the performance of investment decision-making responsibilities.

When Fore Research uses client brokerage commissions (or markups or markdowns) to obtain research or other products or services, Fore Research receives a benefit because Fore Research does not have to produce or pay for the research, products or services. Therefore, Fore Research may have an incentive to

select or recommend a broker-dealer based on its interest in receiving the research or other products or services, rather than on Fore Research's clients' interest in receiving most favorable execution. Therefore, Fore Research may cause clients to pay commissions (or markups or markdowns) higher than those charged by other broker-dealers in return for soft dollar benefits (known as paying-up).

Fore Research uses soft dollar benefits to service all client accounts. Research and brokerage services obtained by the use of commissions arising from one client's portfolio transactions may be used by Fore Research in its other investment activities and thus, such client may not necessarily, in any particular instance, be the direct or indirect beneficiary of such research or brokerage services. Fore Research allocates soft dollar benefits to client accounts in a way that it believes is fair and equitable to its clients.

In the past fiscal year, soft dollars have been used to obtain, without limitation, research reports on particular industries and companies, including, without limitation, reports concerning the structure and nature of their offering terms, economic surveys and analyses, recommendations as to specific securities, on-line quotations, news and research services, and other services providing lawful and appropriate assistance to Fore Research in the performance of its investment decision making and brokerage execution responsibilities on behalf of clients (collectively, "Soft Dollar Items").

Fore Research has a soft dollar arrangement with Instinet. Soft dollar credits are generated at Instinet as a result of trades made by Fore Research's clients, which may then be used to pay for Soft Dollar Items. In addition to order execution, research and other client services, Instinet provides soft dollar support to Fore Research.

Where a product or service obtained with client commission dollars provides both research and non-research assistance to us, we will make a reasonable allocation of the cost which may be paid for with client commission dollars.

We execute securities transactions on behalf of client accounts with broker-dealers that provide us with access to proprietary research reports (such as standard investment research and credit reports). To our knowledge, these services are generally made available to all institutional investors doing business with such broker-dealers. These bundled services are made available to us on an unsolicited basis and without regard to the rates of commissions charged or paid by client accounts or the volume of business that we direct to such broker-dealers.

Prime brokers for Fore Research's clients provide Fore Research with front and back office services, including trading, securities lending, clearing, reporting, and settlement for equities, fixed income, and foreign currency and options, among others. Fore Research's prime brokers may also provide us with capital introduction and talent recruitment services.

Brokerage for Client Referrals

Please see the section titled, "Brokerage Selection," above, for additional information concerning how Fore Research determines how to allocate client brokerage transactions. Subject to applicable law, Fore Research may direct some client brokerage business to brokers who refer (or whose affiliates refer) prospective investors to clients, consistent with best execution. Because such referrals, if any, are likely to benefit Fore Research but will provide an insignificant (if any) benefit to clients, Fore Research will have a conflict of interest with its clients when allocating client brokerage business to a broker who has (or whose affiliates have) referred investors to a client. To prevent client brokerage commissions from being used to compensate such brokers for referrals, Fore Research will not allocate client brokerage business to a referring broker unless Fore Research determines in good faith that the commissions payable

to such broker are not materially higher than those available from non-referring brokers offering services of substantially equal value to the client and that Fore Research is receiving best execution.

Directed Brokerage

Fore Research's policy and practice is to not accept investors' instructions for directing a client's brokerage transactions to a particular broker-dealer.

Trade Aggregation Practices

Fore Research seeks to insure that our trading practices are fair to all clients and that no client or account is advantaged or disadvantaged over any other. Fore Research generally aggregates its clients' trades unless doing so would favor/disfavor one client over another. Each client that participates in an aggregated order will participate at the average price for that order, and if the aggregated order is filled in its entirety it will be allocated among clients in accordance with the considerations outlined above. If the aggregated order is partially filled, it shall be allocated among clients pro-rata based on how the order would have been allocated had it been filled in its entirety.

ITEM 13. REVIEW OF ACCOUNTS

Our chief investment officer reviews client accounts and is assisted by portfolio managers and other personnel who are responsible at a more detailed level for a portion of each account. Additionally, our head of risk management reviews accounts, and our team of research analysts is supervised by the head of global research.

Credit reviews are performed routinely under the direction of the head of global research by analysts who generally have an MBA level education or an equivalent level of practical work experience.

Underlying investors of a client receive unaudited monthly performance updates, other portfolio-related reports from Fore Research monthly, and a monthly statement from the client's third party administrator indicating the official value of their accounts. Underlying investors are also generally provided unaudited weekly performance estimates. Underlying investors can review more detail concerning current portfolio composition, including a copy of the fund's current portfolio, and Fore Research's outlook on the market, by attending an in-person meeting at Fore Research's office scheduled in advance in agreement with Fore Research. Investors may be asked to sign a separate confidentiality agreement.

See Item 10, Other Financial Industry Activities and Affiliations, for information regarding additional information provided to certain investors pursuant to agreements with such investors. In addition to information provided to such investors pursuant to such agreements, Fore Research may also provide certain information to investors or prospective investors in response to questions and requests, and/or in connection with due diligence meetings or other communications. Such information will not be distributed to other investors and prospective investors who do not request such information. Each investor is responsible for asking such questions as it believes are necessary in order to make its own investment decisions and must decide for itself whether the limited information provided by Fore Research is sufficient for its needs.

In addition, as soon as reasonably practicable, but in any event within 120 days of the end of the client's fiscal year, underlying investors are provided with audited financial statements for the applicable client.

ITEM 14. CLIENT REFERRALS AND OTHER COMPENSATION

Fore Research and its related persons do not receive any economic benefit from third-parties in return for provision of investment advice or other advisory services to clients.

Certain clients and Fore Research have engaged placement agents (the “Placement Agents”) to assist in the placement of investors in such clients. The Placement Agents are acting for the client and Fore Research, and are not acting as investment advisors to potential investors in connection with the offering of the client. Investors that are referred to a client may also pay additional fees directly to the Placement Agents. Potential investors must independently evaluate the offering and make their own investment decisions. In making those decisions, potential investors should be aware that Fore Research will pay each Placement Agent a placement fee based upon the amount invested by investors that such Placement Agent introduces to the client. The Placement Agents (or their affiliates) will seek to do additional business with and earn fees or commissions from the client, Fore Research and its affiliates (including, for example, financing or other investment banking services; lending or arranging credit; and prime brokerage), and Fore Research may execute trades through such Placement Agents or their affiliates, subject to receiving best execution. Potential investors introduced to Fore Research by Placement Agents should consider these potential conflicts of interest in making their investment decision.

Please see Item 12, “Brokerage Practices – Brokerage Selection” and “Brokerage Practices – Brokerage for Client Referrals” and Section 7.B of Schedule D of Part 1 of this Form ADV, and the relevant offering memorandum for the particular client for additional related information, including related conflicts of interest.

ITEM 15. CUSTODY

For purposes of Rule 206(4)-2 under the Advisers Act (the “Custody Rule”), Fore Research or its related persons is deemed to have custody over client assets. In accordance with the Custody Rule, a qualified custodian is not required to deliver quarterly account statements to the clients or their respective investors because annual audited financial statements prepared in accordance with generally accepted accounting principles are delivered to investors within 120 days after the end of each client’s fiscal year.

ITEM 16. INVESTMENT DISCRETION

As of December 31, 2014, Fore Research manages client assets (regulatory assets under management) on a discretionary basis in the amount of approximately \$4,449,440,000.

We have discretionary authority to manage securities accounts on behalf of our clients. The investors in the private investment funds managed by us generally may not place any limits on our authority beyond the limitations set forth in the offering and governing documents of such private investment funds. On a case by case basis, owners of the separate managed accounts we manage may negotiate certain risk and/or operating guidelines that we will adhere to when exercising our discretionary authority over such accounts.

ITEM 17. VOTING CLIENT SECURITIES

Fore Research has authority to vote its client's securities. Fore Research seeks to vote proxies in accordance with the best economic interests of its clients, and Fore Research endeavors to resolve any conflicts of interest in the best economic interests of its clients. In order to avoid conflicts of interest, Fore has contracted with RiskMetrics Group, Inc./Institutional Shareholder Services ("ISS"), an independent third party service provider, to vote clients' proxies according to ISS's proxy voting recommendations. On an annual basis, Fore reviews information obtained from ISS to ascertain whether ISS (i) has the capacity and competency to adequately analyze proxy issues, and (ii) can make such recommendations in an impartial manner and in the best economic interest of Fore Research's clients. Fore Research votes proxies when ISS has recused itself from a vote recommendation or if it believes it necessary in the best economic interests of clients as determined in Fore's sole discretion. A copy of Fore Research's proxy voting procedures and information on how the client's proxies were voted are available upon request.

Class Action Participation Procedures

To the extent that Fore Research has discretion to participate in class action lawsuits filed against companies or issuers in which clients are invested, Fore Research will generally participate in such class action lawsuits unless it believes that such participation is not in the best interests of the applicable clients.

ITEM 18. FINANCIAL INFORMATION

Fore Research does not require or solicit prepayment of more than \$1,200 per client, six months or more in advance. Fore Research does not believe that it has any financial commitments that impair its ability to meet contractual commitments to clients, and Fore Research has never been subject to a bankruptcy proceeding.