



Firm Brochure / Form ADV Part 2A

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This brochure provides information about the qualifications and business practices of Winton Capital Management Limited. If you have any questions about the contents of this brochure, please contact us at +44 20 8576 5800. The information in this brochure has not been approved or verified by the US Securities and Exchange Commission (the “SEC”) or by any state or foreign securities authority.

Additional information about us is available on the SEC’s website at www.adviserinfo.sec.gov. You may also review certain information about us on the US National Futures Association’s website at www.nfa.futures.org.

Registration does not imply that we, or our associates, have attained a certain level of skill or training.

Item 2 – Material Changes

Since Winton Capital Management Limited (“**Winton**”) filed the most recent version of this Form ADV, Part 2A (“**brochure**”) on June 16, 2014, Winton has:

- updated the description of its business and revised the names and descriptions of its investment programs, as described in Item 4 (*Advisory Business*) and Item 8 (*Methods of Analysis, Investment Strategies and Risk of Loss*);
- revised the level of fees charged in respect of its investment programs as described in Item 5 (*Fees and Compensation*); and
- amended the description of Winton’s risk management process and disclosed additional risks associated with its business, as described in Item 8 (*Methods of Analysis, Investment Strategies and Risk of Loss*).

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Winton is an investment management company that employs a professional research team to perform statistical analysis on historic data related to financial markets in an attempt to identify profitable investment opportunities. David Harding founded Winton in 1997 and he is the principal owner of the company.

We conduct statistical research into large amounts of data to develop mathematical models that are operated as an automated, computer-based investment system (the **“Winton Investment System”**) which may invest globally in a wide range of instruments including exchange traded futures, options and forwards, currency forwards traded over the counter, equity securities (including common stocks, depositary receipts and exchange traded funds), derivatives linked to such securities (including swaps and equity index futures) and other related instruments. The Winton Investment System is implemented with certain variations resulting from particular investment constraints as different investment programs. Our current investment programs are: (i) the Winton Diversified Program; (ii) the Winton Futures Program; and (iii) the Winton Long-Only Equity Program. There are also a number of sub-programs that are derived from these investment programs. Our investment process and investment programs are described in more detail under Item 8 below.

We use these investment programs to provide investment advisory services to: (i) our sponsored funds (**“Funds”**); and (ii) third party funds or accounts (**“Managed Accounts”** and, together with the Funds, **“Clients”**).

We provide investment advisory services to Funds pursuant to the terms of each Fund’s investment management or portfolio management agreement, offering memorandum and governing documents. Funds are not tailored to particular investors. We provide investment advisory services to Managed Accounts pursuant to the terms of investment advisory agreements, which may contain bespoke investment constraints. The investment management, portfolio management and investment advisory agreements of the Clients and the offering memoranda and governing documents of the Funds are collectively referred to in this document as **“Governing Documents”**.

All discussions of the Clients in this document, including but not limited to their investments, objectives, strategies, fees and other costs, conflicts of interest and relevant material risks are qualified in their entirety by reference to the relevant Governing Documents. This brochure does not constitute an offer of advisory services or an offer to sell or the solicitation of an offer to purchase any securities of any entities described herein.

As of 27 February 2015, we managed approximately \$30.1799 billion of Client assets on a discretionary basis and no Client assets on a non-discretionary basis. For the purpose of calculating Client assets under management, we have included the value of all Funds

and Managed Accounts over which we have discretionary authority, as well as portfolios where we may have limited discretion. The full value of these Funds and Managed Accounts has been included; this value may include notional funding and/or committed funding that may not be under our direct control, but forms part of the trading level given to us by the Fund or Managed Account.

Item 5 – Fees and Compensation

Fees payable to us and/or our affiliates for management and advisory services are set out in the applicable Governing Documents and generally include a performance-based fee (the “**Performance Fee**”) and an asset-based management fee (the “**Management Fee**” and, together with the Performance Fee, the “**Advisory Fees**”), all of which are charged in arrears. Advisory Fees for the Funds are not negotiable. Advisory Fees for Managed Accounts are negotiated. Therefore, certain Managed Accounts may have more favorable Advisory Fee arrangements than the Funds or other Managed Accounts.

Winton Diversified Program and Winton Futures Program

Management Fees for Funds that follow these programs are charged at 1% or 1.2% per annum of net assets (before reduction for the current period’s Advisory Fees) depending on the Fund. Management Fees for Managed Accounts that follow these programs are charged at rates up to 2% per annum of net assets (before reduction for the current period’s Advisory Fees). Performance Fees for Funds and Managed Accounts that follow these programs are generally charged at 20% of net capital appreciation in excess of unrecouped losses and may be payable on an annual or calendar quarterly basis.

Winton Long-Only Equity Program

Management Fees for Funds and Managed Accounts that follow this program are charged at rates up to 0.8% per annum of net assets (before reduction for the current period’s Advisory Fees). Performance Fees, if any, for Funds and Managed Accounts that follow this program are charged at rates up to 20% of net capital appreciation per annum in excess of unrecouped losses above a specified benchmark and may be payable on an annual or calendar quarterly basis.

In addition to Advisory Fees, we may be entitled to be reimbursed for fees and expenses that we incur in connection with our investment advisory services as set out in the Governing Documents of the Funds. Funds will be subject to other fees, costs and expenses as set out in the relevant Governing Documents of the Funds. These may include, without limitation, brokerage commissions, transaction fees, administration fees, custodial fees, fees and expenses associated with the establishment and offering of the Funds, directors’ fees and expenses, legal fees and audit fees. Managed Accounts are likely to be subject to similar fees, costs and expenses, as set out in the offering documents of Managed Accounts. We do not receive any portion of such fees, costs or expenses.

On termination of any Managed Account or Fund, any earned, unpaid Advisory Fees will be due and payable without penalty or other deduction.

Neither we nor our employees accept any compensation from third parties for the sale (or purchase) of investment products. We receive all our compensation from Clients.

See Item 6 below for more information about Performance Fees and the potential conflict of interest they may create.

Item 12 below describes the factors that we consider in selecting or recommending broker-dealers for the execution of Client transactions and determining the reasonableness of their compensation.

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

As described in Item 5 above, we charge Performance Fees.

Performance Fee arrangements may create an incentive for us to invest Clients' assets in ways that may be riskier or more speculative than under a different fee arrangement. In addition, certain Clients pay higher Performance Fees or utilize higher levels of leverage (which may have the effect of such Clients paying higher Performance Fees) than other Clients and this could create an incentive for us to favor such higher fee-paying Clients in the allocation of investment opportunities.

We have implemented procedures that are designed to ensure that investment opportunities are allocated in a manner that: (i) treats all Clients fairly and equitably; (ii) prevents the aforementioned conflict from influencing the allocation of investment opportunities among Clients; and (iii) complies with applicable regulatory requirements. For example, we have an allocation algorithm designed to allocate all filled orders ratably based on a defined allocation procedure. Notwithstanding the foregoing, an aggregated order may be allocated on a different basis under certain circumstances depending on factors which include, but are not limited to, available cash, liquidity requirements, risk parameters, legal and/or regulatory requirements and to avoid odd lots.

Pursuant to US Commodity Futures Trading Commission ("**CFTC**") Regulation 1.35(b)(5)(iii) and NFA Compliance Rule 2-10 and its accompanying Interpretive Release (Interpretive Notice 9029), we will make the following information available to Clients and Fund investors, the CFTC, the US Department of Justice, or other appropriate regulatory agency, upon request:

- (a) the general nature of the allocation methodology we will use;
- (b) an indication of whether any account in which we have an interest may be included with client accounts in bunched orders eligible for post-execution allocation; and
- (c) a summary or composite data sufficient for a Client to compare its results with those of other comparable clients and any account in which we have an interest.

Item 7 – Types of Clients

As described in Item 4 above, our clients are the Funds and Managed Accounts.

The investors in the Funds and Managed Accounts include, without limitation, pension funds, foundations and endowments, private banks, distributor platforms, sovereign wealth funds, funds of funds, insurance corporations, family offices and high net worth individuals.

The minimum investment and other requirements for investing in each Fund are set out in the relevant Governing Documents. If available for investment in the United States, the Funds are structured as private investment companies that are exempt from registration under Section 3(c)(7) of the US Investment Company Act of 1940, as amended. US resident investors must be “qualified purchasers” as defined in the US Investment Company Act of 1940, as amended and the rules thereunder, “accredited investors” as defined in Regulation D under the US Securities Act of 1933, as amended, and “qualified eligible persons” as defined in the US Commodity Exchange Act and the rules thereunder.

The minimum account size for Managed Accounts is generally \$50 million.

A. Methods of Analysis and Investment Strategies

1. Investment Process

We follow a disciplined investment process that is based on statistical analysis of past data. The initial stage of the process involves collecting, cleaning and organizing large amounts of data. We use a wide variety of data inputs including factors that are intrinsic to markets, such as price, volume and open interest; and those that are external to markets, such as economic statistics, industrial and commodity data and public company financial data. We conduct statistical research into the data in an attempt to quantify the probability of particular markets rising or falling, conditional on a variety of quantifiable factors. Our research is used to develop mathematical models that attempt to forecast market returns, the variability or volatility associated with such returns (often described as “risk”), correlation between markets and transaction costs. These forecasts are used in investment strategies that determine what positions should be held to maximize profit within a certain range of risk. As a result of our research, we expect that the investments made in accordance with this process will have an improved chance of being successful, which is expected to lead to profits over the long-term.

Our investment strategies are operated as an automated, computer-based system, the Winton Investment System. This system is modified over time as we monitor its operation and undertake further research. Changes to the system occur as a result of, amongst other things, the discovery of new relationships, changes in market liquidity, the availability of new data or the reinterpretation of existing data.

Most of our investment decisions are made strictly in accordance with the output of our system. However, we may in exceptional circumstances, such as the occurrence of events that fall outside the input parameters of the system, make investment decisions based on other factors and take action to override the output of the system to seek to protect the interests of Clients.

As explained in Item 4 above, the Winton Investment System is implemented with certain variations resulting from particular investment constraints as different investment programs. Our current investment programs are:

- (i) the Winton Diversified Program;
- (ii) the Winton Futures Program; and
- (iii) the Winton Long-Only Equity Program.

We use these investment programs, and sub-programs that are derived from these programs, to provide investment advisory services to the Funds and Managed Accounts.

2. Risk Management

Management of the risk arising from market fluctuations is integral to our investment process. In respect of our programs that employ leverage (the Winton Diversified Program and the Winton Futures Program), the most important determinant of risk is the level of gearing. In order to determine the level of gearing, comprehensive information is required on the risks the programs are taking, including the programs' long- and short-term forecast value at risk ("VaR") using both standard and proprietary volatility models (which place greater emphasis on the probability of extreme market movements than many commonly used models), stress tested models of extreme VaR (tail risk) using various proprietary methods, forecasts of extreme loss frequency and measures of margin employment and leverage. We forecast volatility in each market and the correlation between markets daily in order to forecast the overall volatility of the portfolio and adjust leverage accordingly to manage portfolio risk.

Our Investment Management Committee is primarily responsible for managing investment risk, with oversight from the Risk Committee. The Risk Committee oversees the identification, assessment, management and monitoring of risks to which Winton is exposed, including investment risk, counterparty risk, IT and security risks and regulatory risks.

3. Investment Programs

All of the program targets and expectations set out in this section are approximate and are subject to change at our discretion. There is no guarantee that they will be met.

The investment objective of our investment programs is to achieve long-term investment growth.

3.1 Winton Diversified Program

The program may invest long and short, using leverage, in any markets that we believe are sufficiently liquid, and for which there is sufficient data available. The program currently invests globally in exchange traded futures and forwards, currency forwards traded over the counter, equity securities (including common stocks, depositary receipts and exchange traded funds), derivatives linked to such securities (including swaps and equity index futures) and other related instruments.

3.2 Winton Futures Program

The program invests long and short, using leverage in exchange traded futures and forwards and currency forwards traded over the counter.

3.3 Winton Long-Only Equity Program (formerly the Winton Equity Program)

The program currently invests in equity securities (including common stocks, depositary receipts and exchange traded funds) and may invest in derivatives linked to such securities (including swaps and equity index futures). It is intended that it will never be net short and that it will be fully invested at all times. The program generally invests globally but it may be applied to some Clients with geographic constraints (for example, primarily US equities or primarily European equities).

The program is diversified and therefore does not concentrate on any specific industrial sectors but rather pursues a policy of active security selection in the markets in which it operates.

B. Risk of Loss

The following is a brief summary of certain material risks associated with our methods of analysis and investment strategies. A more comprehensive discussion of material risks for the Funds is included in the relevant Governing Documents.

Risks Associated with the Winton Investment System and the Investment Programs

No Guarantee of Profit or Against Loss There is no assurance that our investment programs will provide any return or will not incur substantial losses.

Limitations of Mathematical Models Our investment approach is based on research into past data and the application of that research to the development of mathematical models that attempt to forecast returns, risk, correlation and transaction costs. Many of these models are trend-following models that attempt to identify and exploit market trends. Mathematical models are representations of reality but they may be incomplete and/or flawed and there is an inherent risk that any forecasts derived from them may be inaccurate, particularly if the research or models are based on, or incorporate, inaccurate assumptions or data. Assumptions or data may be inaccurate from the outset or may become inaccurate as a result of many factors such as changes in market structure, increased government intervention in markets or growth in assets managed in accordance with similar investment strategies. In particular, such factors may make our trend-following models less effective because they may lessen the prospect of identified trends occurring or continuing in the future. As a result of the foregoing, the Winton Investment System may not generate profitable trading signals and Clients may suffer loss.

Crowding/Convergence There is significant competition among quantitative investment managers and our ability to deliver returns that have a low correlation with global aggregate equity markets and other market participants is dependent on our ability to employ an investment system that is simultaneously profitable and differentiated from those employed by other managers. To the extent that we are not able to develop a sufficiently differentiated investment system, our investment objective may not be met. The growth in assets managed in accordance with similar investment strategies may

result in us and other market participants inadvertently buying and selling the same or similar investments simultaneously, which may reduce liquidity and exacerbate market moves. As a result, Clients may suffer loss.

Process Exceptions Our investment approach is based on mathematical models which are implemented as an automated computer-based investment system. Issues with the design, development, implementation, maintenance or operation of the Winton Investment System; any component of the Winton Investment System; or any processes and procedures related to the Winton Investment System (collectively, “**Process Exceptions**”) may cause losses to Clients and such losses may be substantial. Any losses or gains arising from Process Exceptions shall be for the account of Clients (i.e., Clients will bear any losses and will benefit from any gains) except for any losses that result directly from our gross negligence, wilful default, fraud or other applicable liability standard. Process Exceptions may include, but are not limited to:

Programming Errors We may make programming errors in translating our mathematical models into computer code. In addition, as a mathematical model can be expressed in computer code in multiple ways, the choice of code ultimately used may not result in the best representation of the model.

Failure of Technology The Winton Investment System is reliant on proprietary and third party technology. Such technology may be adversely affected by many issues, some of which may be outside our control, including issues associated with network infrastructure, software updates, bugs, viruses and unauthorised access.

Incorporation of Data We may incorporate inaccurate data, or make errors in incorporating data, into the Winton Investment System.

Process Exceptions may be extremely difficult to detect, may go undetected for long periods or may never be detected. The impact of such Process Exceptions may be compounded over time and may result in, among other things, the execution of unanticipated trades, the failure to execute anticipated trades, the failure to properly allocate trades, the failure to properly gather and organise available data and/or the failure to take certain hedging or risk mitigating actions. Although we evaluate the materiality of any Process Exceptions that we detect, we may conclude that some are not material and may choose not to address them. Such judgements may prove not to be correct. We do not intend to disclose Process Exceptions to Clients, except where required to do so.

Trade Errors Clients may incur losses or gains as a result of a "trade error", i.e., errors in executing specific trading instructions. Examples of trade errors include: (i) buying or selling an investment at a price or quantity that is inconsistent with the trading instruction generated by the Winton Investment System; or (ii) buying rather than selling a particular investment (and vice versa). Any losses or gains arising from trade errors shall be for the account of Clients except for any losses that result directly from our gross negligence, wilful default, fraud or other applicable liability standard.

Direct Connectivity to Trading Venues We use sophisticated information technology systems to send, on behalf of Clients, electronic trading instructions to brokers and exchanges and have servers located close to exchanges in multiple jurisdictions. This technology allows orders to be sent and executed in milliseconds. This technology can increase the likelihood of erroneous orders being made, regulatory requirements not being complied with and/or credit and capital limits being breached due to computer malfunctions, the speed of execution of transactions, human error or a deficiency in algorithm design or implementation. Due to the speed of trading, the potential impact on Clients of such errors or series of errors could be more severe than risks arising in other parts of our trading infrastructure.

Trading through an electronic trading or order routing system is also subject to risks associated with system or component failure (whether such failure affects the hardware or software of the exchange or person offering the relevant system or us). In the event of system or component failure, it is possible that, for a certain time period, it might not be possible to enter new orders, execute existing orders, or modify or cancel orders that were previously entered. System or component failure may also result in loss of orders or order priority. Trading venues offering an electronic trading or order routing system typically adopt rules to limit their liability, the liability of member brokers and software and communication system vendors, and the amount that may be collected for system failures and delays, which rules may vary among the venues and may not adequately compensate Clients for the full extent of their loss.

Effects of Substantial Redemptions Substantial redemptions from the Funds and/or Managed Accounts within a short period of time could require us to liquidate positions more rapidly than would otherwise be desirable, potentially resulting in losses to Clients. This risk may be compounded by a number of factors. For example, certain Managed Accounts may have more frequent redemption terms than the Funds or other Managed Accounts and if those Clients were to redeem prior to other Clients (and if other market participants were to liquidate around the same time), the markets could be adversely affected and this could cause losses to Clients.

Furthermore, rapid liquidation of positions during adverse market conditions (e.g., a market crash) is likely to lead to greater losses than would be the case under “normal” market conditions.

Temporary Defensive Measures We may, from time to time, take temporary defensive measures that are inconsistent with Clients’ investment strategies in attempting to respond to, or in anticipation of, market, economic, political or other conditions. For example, during such period, all or a significant portion of a Client’s assets may be invested in short-term, high-quality fixed income securities, cash or cash equivalents, or the risk parameters applicable to the Winton Investment System may be altered. We may initiate temporary defensive measures when we judge that existing market, economic, political or other conditions may make pursuing Clients’ investment strategies inconsistent with the best interests of the Clients. We may temporarily use these alternative strategies or

parameters that are mainly designed to limit the Clients' losses, protect the Clients' gains or create liquidity in anticipation of redemptions. When such temporary defensive measures are taken, it may be more difficult for a Client to achieve its investment objective.

Trading Outside the Investment System Most of our investment decisions are made strictly in accordance with the output of the Winton Investment System but we may, in exceptional circumstances such as the occurrence of events that fall outside the input parameters of the system, make investment decisions based on other factors and take action to override the output of the system to seek to protect the interests of Clients. However, system's signals may ultimately prove to be accurate and our action may not prevent losses to Clients and may in fact cause or exacerbate losses.

Involuntary Disclosure Risk Our ability to achieve our investment objective is dependent in large part on our ability to develop and protect the Winton Investment System and proprietary research. Public disclosure obligations (or disclosure obligations to exchanges or regulators with insufficient privacy safeguards) that require position level disclosure could provide opportunities for competitors to reverse-engineer the system, and thereby impair the relative or absolute performance of Clients.

Limited Investor Oversight As the Winton Investment System is proprietary, Clients will not have the ability to evaluate its operation or to determine whether it is being followed and Clients may not have the ability to review its investment positions.

Leverage We may use leverage (including through borrowings) for the purpose of making investments for certain Clients. The use of leverage creates particular risks and may significantly increase the Clients' investment risk. Leverage creates an opportunity for greater yield and total return but, at the same time, increases Clients' exposure to capital risk and, if leverage is in the form of borrowing, interest costs. The use of leverage in a market that moves adversely could result in substantial losses to Clients, which would be greater than if leverage was not used. (See the risk factor entitled "Futures Contracts" below.)

Risk of Loss of Senior Personnel The performance of the Winton Investment System is substantially dependent on the services of our senior professionals who are responsible for developing, monitoring and maintaining the system. In the event of the death, incapacity or departure of such professionals, the performance of the Winton Investment System may be adversely affected and Clients may suffer losses.

Regulatory and Tax Risks

Market Crisis and Governmental Intervention The global financial markets have in the recent past undergone fundamental disruptions which have led to extensive governmental intervention (such as bans on "short selling" equities). Such intervention was in certain cases implemented on an "emergency" basis without much or any notice with the consequence that some market participants' ability to continue to implement certain strategies or manage the risk of their outstanding positions has been suddenly and/or

substantially eliminated. In addition, these interventions were sometimes unclear in scope and application, resulting in confusion and uncertainty which in itself has been materially detrimental to the efficient functioning of such markets as well as previously successful investment strategies.

It is impossible to predict with certainty what additional interim or permanent governmental restrictions may be imposed on the markets and/or the effect of such restrictions on our ability to fulfill the investment objectives of the Clients. However, we believe that there is a high likelihood of significantly increased regulation of the global financial markets and that such increased regulation could be materially detrimental to the performance of Clients' portfolios. (See the risk factor entitled "Alternative Investment Funds" below.)

Speculative Position Limits and Internal Risk Limits The CFTC and/or exchanges both within and outside the United States have established "speculative position limits" on the maximum net long or net short position which any person or group of persons may hold or control in particular futures, options on futures contracts and swaps that perform a significant price discovery function. In addition, we set internal risk limits within the Winton Investment System. Our instructions may have to be modified, and positions held by Clients may have to be liquidated, in order to avoid exceeding these limits. Such modification or liquidation could adversely affect the operations and profitability of Clients by increasing transaction costs and limiting potential profits on the liquidated positions. All Client assets will be aggregated for the purposes of speculative position limits and internal risk limits and this may impair the operation of the Winton Investment System and cause losses to Clients.

Alternative Investment Funds The regulatory environment for alternative investment funds is evolving and any changes may adversely affect the implementation of the Winton Investment System and the value of Clients' assets, and may result in an increase in trading costs for Clients. In addition, securities and derivatives markets are subject to comprehensive statutes, regulations and margin requirements. Regulators and self-regulatory organisations and exchanges are authorised to take extraordinary actions in the event of market emergencies. In addition, the regulatory or tax environment for derivative and related instruments and funds that engage in such transactions is evolving and may be subject to modification by government or judicial action, which may adversely affect the value of Clients' assets. The effect of any future regulatory or tax change on Clients is difficult to predict.

Risks Associated with Specific Investments

Futures Contracts We invest in futures contracts on behalf of Clients. Transactions in futures involve the obligation to make, or to take, delivery of the underlying asset of the contract at a future date, or in some cases to settle the position with cash (unless liquidated before expiry). They carry a high degree of risk. The low margins normally required in futures trading permit a very high degree of leverage. As a result, a relatively small movement in the price of a futures contract may result in a profit or loss that is high in

proportion to the amount of assets actually placed as margin and may result in unquantifiable further loss exceeding any margin deposited

Foreign Exchange Forward Contracts We may enter into foreign exchange forward contracts on behalf of Clients. A foreign exchange forward contract is a contractually binding obligation to purchase or sell a particular currency at a specified date in the future. Foreign exchange forward contracts are currently not traded on exchanges. Rather, they are effected through the interbank market. Unlike in futures markets, there is no limitation as to daily price movements in this market and in exceptional circumstances there have been periods during which certain banks have refused to quote prices for foreign exchange forward contracts or have quoted prices with an unusually wide spread between the price at which the bank is prepared to buy and that at which it is prepared to sell. The Dodd-Frank Act includes non-deliverable foreign exchange forward contracts in the definition of “swap” and, therefore, contemplates that certain of these contracts may be exchange traded, cleared by a clearinghouse and regulated by the CFTC. Although the Dodd-Frank Act contemplates that non-deliverable foreign exchange forward contracts may be exchange traded and cleared by a clearinghouse, these transactions, as well as deliverable foreign exchange forward contracts, are not currently exchange traded so that, generally, no clearinghouse or exchange stands ready to meet the obligations of the contract. Thus, Clients will be subject to the risk of the inability or refusal of their counterparties to perform with respect to such contracts. Any such default would eliminate any profit potential and compel Clients to cover their commitments for resale or repurchase, if any, at the then current market price. These events could result in significant losses to Clients.

Clients may enter into foreign exchange forward contracts in respect of the currencies of certain emerging markets. Many emerging markets have underdeveloped capital market structures where the risks associated with holding currency are significantly greater than in other, less inflationary markets. Such currency exchange rates are highly volatile and subject to severe event risks, as the political situation with regard to the relevant foreign government may itself be volatile.

Contracts for Differences Contracts for differences (“CFDs”) are privately negotiated contracts between two parties, buyer and seller, stipulating that the seller will pay to or receive from the buyer the difference between the nominal value of the underlying instrument at the opening of the contract and that instrument's value at the end of the contract. As is the case with owning any financial instrument, there is the risk of loss associated with buying a CFD. There may be liquidity risk if the underlying instrument is illiquid because the liquidity of a CFD is based on the liquidity of the underlying instrument. A further risk is that adverse movements in the underlying security will require the buyer to post additional margin. CFDs also carry counterparty risk, i.e., the risk that the counterparty to the CFD transaction may be unable or unwilling to make payments or to otherwise honour its financial obligations under the terms of the contract. If the counterparty were to do so, the value of the contract may be reduced. To the extent that

there is an imperfect correlation between the return on a Client's obligation to its counterparty under the CFDs and the return on related assets in its portfolio, the CFD transaction may increase that Client's financial risk.

Daily Price Fluctuation Limits Futures exchanges limit fluctuations in contract prices during a single day by imposing "daily price fluctuation limits" or "daily limits." During a single trading day no trades may be executed at prices that are either above or below the daily limit. Once the price of a particular futures contract has increased or decreased to the limit point, positions in the contract can be neither established nor liquidated unless traders are willing to effect trades at or within the limit. Futures prices have occasionally moved the daily limit for several consecutive days with little or no trading. Similar occurrences could prevent us from liquidating positions and subject Clients to losses that could exceed the margins initially committed to such trades.

Equities Equities represent ownership interests in a company or corporation, and include common stock, preferred stock and warrants and other rights to acquire such instruments. Investments in equity securities in general are subject to market risks that may cause their prices to fluctuate over time. Fluctuations in the value of equities in which the Winton Investment System invests will cause the value of Clients' assets to fluctuate.

Short Selling The Winton Investment System may incorporate short selling systems whereby we sell equities that Clients do not own. A short sale involves the theoretically unlimited risk of an increase in the market price of the securities sold short. There can be no guarantee that securities and/or currencies necessary to cover a short position will be available for purchase.

Due to regulatory or legislative action taken by regulators around the world as a result of recent volatility in the global financial markets, taking short positions on certain securities has been restricted. The levels of restriction vary across different jurisdictions and are subject to change in the short to medium term. These restrictions have made it difficult and in some cases impossible for numerous market participants either to continue to implement their investment strategies or to control the risk of their open positions. Accordingly, we may not be in a position to execute orders in accordance with the trading signals of the Winton Investment System and our ability to fulfil our investment objective may be constrained.

Emerging Securities Markets We may invest in emerging markets on behalf of Clients. Investment in emerging market securities may involve a greater degree of risk than an investment in securities of issuers based in developed countries. Among other things, emerging market securities investments may carry the risks of less publicly available information, more volatile markets, less strict securities market regulation, less favorable tax provisions, and a greater likelihood of severe inflation, unstable or not freely convertible currency, war and expropriation of personal property than investments in securities of issuers based in developed countries. Placing securities with a custodian in an emerging country may also present considerable risks. In addition, investment

opportunities in certain emerging markets may be restricted by legal limits on foreign investment in local securities.

Debt Securities We may invest in debt instruments that have speculative characteristics. The issuers of such instruments, including sovereign issuers, may face significant ongoing uncertainties and exposure to adverse conditions that may undermine the issuer's ability to make timely payment of interest and principal. In addition, evaluating credit risk for debt securities involves uncertainty because credit rating agencies throughout the world have different standards, making comparison across countries difficult. Also, the market for credit spreads is often inefficient and illiquid, making it difficult to accurately calculate discounting spreads for valuing financial instruments.

Commodity-Related Investments We may invest in commodity futures on behalf of Clients. Exposure to the commodities markets (including via commodity futures) may subject some Clients to greater volatility than investments in traditional securities. Prices of commodities may fluctuate significantly over short periods as a result of a variety of factors, including changes in supply and demand relationships, changes in interest or currency exchange rates, population growth and changing demographics and factors affecting a particular industry or commodity, such as drought, floods or other weather conditions, transportation bottlenecks or shortages, competition from substitute products, fiscal, monetary and exchange control programs, disease, pestilence, acts of terrorism, embargoes, tariffs and international economic, political, military, legal and regulatory developments. Further, a lack of liquidity, participation of speculators and government regulation and intervention, among other factors, may subject commodity markets to temporary distortions or other disruptions, which may, in turn, subject Clients to losses.

General Investment Risks

High Volatility The markets in which we invest are subject to high levels of volatility. Price movements are influenced by a variety of factors, including: changing supply and demand relationships; trade, fiscal, monetary and exchange control programs and policies of governments; political and economic events and policies; changes in interest rates and rates of inflation; currency devaluations and re-evaluations; and market sentiment. Such volatility could result in significant losses to Clients.

Illiquidity of Markets Positions in financial instruments cannot always be liquidated at the desired price. It is difficult to execute a trade at a specific price when there is a relatively small volume of buy and sell orders in a market. A market disruption, such as when governments take or are subject to political actions that disrupt the markets in their currency or major exports, can also affect the liquidity of the markets, thereby making it difficult to liquidate a position. Periods of illiquidity and the events that trigger them are difficult to predict and there can be no assurance that we will be able to do so. Market illiquidity may cause losses to Clients.

The large size of the positions that we may acquire for Clients will increase the risk of illiquidity by both making their positions more difficult to liquidate and increasing the losses incurred while trying to do so. This risk will be exacerbated by the fact that we serve and will serve in a similar capacity for many Clients, which may increase the size of the positions we control. (See the risk factor entitled "Effects of Substantial Redemptions").

Misconduct of Employees and of Third-Party Service Providers Misconduct or errors by employees or third-party service providers could cause significant losses to Clients. For example, employees and third-party service providers may improperly use or disclose confidential information, which could result in litigation or serious financial harm, including limiting Clients' business prospects or future marketing activities. Although we have adopted measures to select reliable third party providers and to prevent and detect employee misconduct, such measures may not be effective in all cases.

Cyber-Attacks We, our Clients and their service providers may be susceptible to operational and information security risks resulting from cyber-attacks, including the theft or corruption of data maintained online or digitally, denial of service attacks on websites, the unauthorized monitoring, release, misuse, loss, destruction or corruption of confidential information, unauthorized access to relevant systems, compromises to networks or devices that are used to service operations, and operational disruption or failures in physical infrastructure or operating systems. Cyber-attacks may adversely impact Clients and their investors, potentially resulting in, among other things, financial losses or the inability to transact business if, for example, there is interference with the processing of investor transactions, confidential business or investor information is released, trading is impeded, and/or regulatory fines are imposed on, or reputational damage is caused to, us or Clients. Additional costs may also be incurred in mitigating the risks of, or trying to prevent, cyber-attacks. There can be no assurance that Clients will not suffer loss as a result of cyber-attacks or other information security breaches in the future.

Item 9 – Disciplinary Information

Not applicable.

Item 10 – Other Financial Industry Activities and Affiliations

Our sole business is providing investment advisory services.

We are authorized and regulated by the UK Financial Conduct Authority. We are registered with the CFTC as a commodity pool operator and commodity trading advisor. We are also a member of the US National Futures Association (“**NFA**”). Certain management persons are registered with the NFA as associated persons and/or principals.

We are not registered, nor do we have an application pending to register, as a broker-dealer. A number of our management persons are registered representatives of Foreside Fund Services, LLC (“**Foreside**”), a third party broker-dealer registered with the SEC and a member of the Financial Industry Regulatory Association, Inc. We have entered into an agreement with Foreside pursuant to which such registered representatives shall be permitted to offer and sell certain Funds in the United States.

We maintain a conflicts of interest policy and a log of identified material conflicts and the means to address or resolve them, which is reviewed on a periodic basis.

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

We have a written Code of Ethics (the “**Code**”) which all of our employees must read and observe. Compliance with the Code is a material term of our employees’ employment contracts and any employee who fails to observe the Code may be subject to disciplinary action. Our Compliance Department monitors and reviews compliance with the Code. The Code is available to Clients and prospective Clients on request.

The Code includes policies and procedures designed to, among other things:

- (i) ensure that we act in accordance with our fiduciary duties to Clients;
- (ii) ensure that we and our employees comply with applicable laws, regulations and rules;
- (iii) prevent improper personal trading by our employees;
- (iv) identify actual or potential conflicts of interest; and
- (v) ensure that any identified conflicts are resolved in favor of our Clients.

Our employees may invest, to a limited extent, in the same securities and other instruments that we invest in for our Clients. Any such investments are subject to personal trading restrictions that are set out in the Code. These include: (i) a pre-clearance requirement; (ii) a minimum holding period requirement; (iii) a holdings and transaction disclosure requirement; and (iv) a ban with respect to trading certain instruments.

We and our related persons hold investments in the Funds and may have financial exposure to the Funds. This may create an incentive for us and our related persons to take investment actions based on our investment interests which might diverge, in some cases, from the interests of other investors or to favor or disfavor certain Funds over other Funds or Managed Accounts based on pecuniary interests. Any potential conflict that arises from these circumstances is mitigated by several factors, including: (i) the requirement that any material changes to the Winton Investment System or investment programs must be tested and reviewed and approved by our Investment Management Committee; (ii) the fact that our investment programs are designed to achieve long-term capital appreciation as opposed to short-term profits; and (iii) the fact that most of our investments are made in accordance with the signals produced by the Winton Investment System.

Item 12 – Brokerage Practices

We use a number of execution management systems for the execution of Client transactions. The majority of orders are routed electronically, either directly to the appropriate trading venue (e.g. to an exchange or via a broker's platform) or through a broker-dealer. A minority of orders are allocated to our trading team for manual execution. How an order is routed depends on market characteristics, level of electronic access, latency and order size.

We have discretion to select brokers-dealers for the execution of Client transactions consistent with our duty to seek best execution. We select broker-dealers based primarily on the following factors: (i) competitiveness of commission rates and spreads, (ii) promptness of execution, (iii) clearance and settlement capabilities, (iv) product coverage, (v) technology, (vi) quality of service, (vii) access to markets, (viii) regulatory record and reputation, (ix) financial stability and (x) creditworthiness.

We do not have formal "soft dollar" arrangements nor do we seek out "sell-side" research. We may receive unsolicited research from broker-dealers but we do not use this in our investment process. We negotiate commission rates based on the level of service required, the type of order flow involved and the prevailing market conditions. As a result, Clients may pay in excess of the lowest commission rates available for execution services.

Certain broker-dealers that we may use to execute Client transactions are also our clients and/or may refer clients to us, which creates potential conflicts of interest. These conflicts are addressed by the fact that we adhere to a policy that prohibits us from considering any factor other than best execution for our Clients when we execute Client transactions.

We do not permit Clients to direct brokerage in the execution of trades.

We generally aggregate the purchase and sale of investments across multiple accounts using the same broker-dealer. Item 6 above describes our procedures for allocating trades among our Clients including procedures for order aggregation.

Item 13 – Review of Accounts

We systematically monitor and review Client accounts on a regular basis to determine, among other things, whether they are appropriately positioned and whether any investment constraints in the applicable Governing Documents are being followed. This monitoring and review process is carried out by teams that are managed by our Head of Investment Operations and Head of Compliance.

Managed Account clients receive regular account statements from their counterparties (i.e. custodians, clearing brokers and, if they trade individual equities, prime brokers) that include a detailed list of all relevant positions, valuations, transactions and fees.

Investors in the Funds receive from the Funds' administrators monthly holding statements that include valuation and performance details and copies of the annual audited financial statements for the applicable Funds. In addition, we or our affiliates provide supplementary reports, including a monthly performance report and newsletter and a fortnightly value at risk report. Investors in certain Funds may also receive from the Funds' administrators risk reports compiled by third party risk aggregators.

Item 14 – Client Referrals and Other Compensation

We are compensated solely by Clients. We do not receive commissions or other compensation from product sponsors, broker-dealers or any unrelated third parties.

We have contractual arrangements with third parties that may solicit Clients. Any arrangements that may involve the solicitation of US persons are made in writing pursuant to Rule 206(4)-3 of the Investment Advisers Act of 1940, as amended. We, and not Clients, pay compensation to these third parties. Clients will not pay any additional Advisory Fees as a result of being solicited by such third parties.

Item 15 – Custody

We do not maintain physical possession of Client assets, provide custodial services or hold Client money.

The Funds' assets are held by banks or broker-dealers that are qualified custodians. With respect to Managed Accounts, the Managed Account is responsible for appointing and monitoring one or more qualified custodians. Each third party provider of a Managed Account should carefully review the account statements that it receives from its qualified custodian to determine that they completely and accurately state all holdings in the relevant account and all account activity over the relevant period.

In addition, Client assets in Funds may be subject to liquidity constraints imposed by the directors of the Funds, such as the implementation of side pockets or suspension of redemptions. In certain jurisdictions, these factors may result in us being deemed to have custody of Client assets.

Under the SEC custody rule, we are deemed to have custody of certain Client assets by virtue of the role of our affiliate, Winton Capital (Cayman) Limited as general partner of two Funds, Winton Diversified Futures Fund (US) L.P. and Winton Diversified Strategy Fund (US) L.P.

We satisfy the requirements of the SEC custody rule for relevant Funds by having such Fund's financial statements audited in accordance with the requirements of that rule and distributed within 120 days after the Fund's financial year end. Investors who do not receive these timely should contact us immediately.

Item 16 – Investment Discretion

We manage all Client assets on a discretionary basis. Subject to any investment constraints in the relevant Governing Documents, we may determine:

- (i) the type and number of instruments to be bought or sold for our Clients;
- (ii) the executing brokers that we use when effecting such investments; and
- (iii) the commission rates paid to such executing brokers.

Managed Accounts may agree bespoke investment constraints with us (such as margin to equity limits or the exclusion of certain markets) and such constraints will be set out in the relevant investment advisory agreement. Investors in the Funds may not impose bespoke investment constraints.

Item 17 – Voting Client Securities

We have authority to vote proxies on behalf of the Clients which have delegated voting authority to us.

We have engaged Institutional Shareholder Services (“ISS”) to provide proxy voting guidelines and to vote proxies for the Clients that have delegated such authority to us. ISS is an unaffiliated service provider that assists institutional investors in meeting their fiduciary requirements for proxy voting. To that end, the stated goal of ISS is to design its proxy voting guidelines to enhance shareholders' long-term economic interests.

Although we will generally rely on the recommendations of our proxy advisor, ISS, we reserve the right to exercise discretion in voting proxies and may vote proxies in a manner other than that specifically set out by ISS.

We do not anticipate any conflicts in our proxy voting practices. In the event that we do direct a vote, the Compliance Department will evaluate the recommendation for any potential conflict of interest with Clients and will maintain documentation related to the voting decision.

In addition, there may be situations where we do not vote proxies. For example, we may not vote proxies where:

- (i) The cost of voting a proxy outweighs the benefit of voting the proxy;
- (ii) There are legal encumbrances to voting, including blocking restrictions that preclude the ability to dispose of a security if Winton votes a proxy, laws requiring the appointment of a local power of attorney to facilitate voting instructions, laws requiring Winton to obtain additional consents from clients or beneficial owners to vote a proxy, or other cases where Winton is prohibited from voting by applicable legal or market requirements;
- (iii) We have not been provided sufficient time to process the voting of a proxy;
- (iv) We have outstanding sell orders on a company's shares, or otherwise intends to sell a company's shares, prior to such company's meeting date; or
- (v) Clients hold shares on a company's record date, but sell those shares prior to such company's meeting date.

Investors may contact us to request our proxy voting policy and procedures, information about ISS' policy formulation process and a quarterly record of all proxy votes cast on behalf of Clients.

Item 18 – Financial Information

Not applicable.