

***OxFORD Asset Management***  
***Form ADV 2***

**OxFORD Asset Management LLP**

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**Effective: 01 April 2015**

This brochure provides information about the qualifications and business practices of OxFORD Asset Management LLP (“OxFORD”). If you have any questions about the contents of this brochure, please contact OxFORD at [information@oxam.com](mailto:information@oxam.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Additional information about OxFORD is available on the internet at <http://www.adviserinfo.sec.gov> and at <http://www.fca.gov.uk/register/firmRefSearch.do>.

Neither registration with the SEC nor the use of the terms “registered investment adviser” or “registered” throughout this Form ADV Part 2 should be construed to imply a certain level of skill or training.

OxFORD is an SEC registered investment adviser and is authorised and regulated by the Financial Conduct Authority (“FCA”) in the United Kingdom. It is also registered as a commodity pool operator (“CPO”) and a commodity trading advisor (“CTA”) with the Commodity Futures Trading Commission (“CFTC”) and is a member of the National Futures Association (“NFA”) in such capacities. Please note that none of the SEC, the CFTC, the NFA, the FCA or any other governmental, regulatory or self-regulatory authority or organisation in any jurisdiction has passed upon the Investment Adviser’s qualifications, skills, training or ability.

OxFORD’s executive management team has longstanding experience working within the investment management industry. This document contains information about its team’s educational and employment backgrounds.

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## **Item 2 - Material Changes**

The Material Changes section of this brochure will be updated whenever material changes are made to this brochure since its last release. This summary of changes will be made available to clients at least annually.

The following changes have been made in this edition of Form ADV Part 2:

- Item 1 – the firm address changed to OxAM House, 6 George Street, Oxford, OX1 2BW
- Item 4 - update to the level of assets under management
- General factual and clarificatory amendments

If you would like to receive a complete copy of the Form ADV Part 2, you may obtain it by contacting us by telephone at: +44 1865 258137 or by email at [information@oxam.com](mailto:information@oxam.com).

Additional information about OxFORD is available on the internet at <http://www.adviserinfo.sec.gov>.

You can search this site by a unique identifying number, known as a CRD number. The CRD number for OxFORD is 136937. Please contact Steve Huyton, Chief Compliance Officer, if you have any questions about the contents of this brochure.

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## **Item 4 - Advisory Business**

### **The Adviser**

OxFORD provides investment advice to OxAM Quant Fund Limited (the “Fund”), an open-ended investment company incorporated under the laws of the Cayman Islands. The Fund is a master fund in a master-feeder structure. Investors in the Fund invest through one of two feeder funds: OxAM Quant Fund (International) Limited, incorporated in the Cayman Islands or OxAM Quant Fund (US) LLC, incorporated in Delaware (together, the “Feeder Funds”). The Fund was launched in 2004. OxFORD was authorised by the Financial Services Authority (and is now regulated by the Financial Conduct Authority) in the United Kingdom in 2007, and took over the advisory mandate to the Fund from its predecessor, The Oxford Asset Management Company Limited. The Oxford Asset Management Company Limited is the holding company and managing partner of Oxford Asset Management LLP and was itself the investment adviser to the Fund from 2004 to 2007. The principal owners and founder partners of OxFORD and its holding company are Dr André Stern, Mr Stephen Mobbs and Dr Steven Kurlander.

*André Stern, Founder and Principal:* Dr Stern, Founder and Principal, has been developing mathematical models for use in financial markets since 1996. Before launching OxFORD, he was engaged in computer science and mathematics research at Cornell University and the University of Oxford. He holds a D.Phil. in Mathematical Sciences from the University of Oxford and has selected non-executive roles on several charitable and other investment funds. Dr. Stern serves on the Advisory Boards for MIT Sloan Finance Group and Center for Finance & Policy as well as the Mathematical, Physical and Life Sciences Advisory Board of the University of Oxford. He has been active in the alternative investment sector since 1989, advising on portfolio investments including hedge funds.

*Stephen Mobbs, Principal:* Mr Mobbs is a mathematician and economist with more than 30 years’ financial market experience. He was principal and chief executive officer at Medici Capital Ltd; managing director (arbitrage trading) at Deutsche Bank AG; director (arbitrage trading and bond research) at Credit Suisse First Boston Ltd, and economist and bond analyst at Bank of America. He holds an M.A. in Mathematics from Cambridge University and an M.Phil. in Economics from the University of Oxford.

*Steven Kurlander, Principal:* Dr Kurlander carried out research in computer science at the University of Wisconsin and has published several academic research papers. He has been engaged in the research and development of financial trading models since 1996, and has worked with Dr Stern for over 15 years. He holds an A.B. in Mathematics and Computer Science from Cornell University, and a Ph.D. in Computer Science from the University of Wisconsin-Madison.

### **The Sub-Adviser**

With effect from August 2013, OxFORD appointed Oxford Asset Management GmbH as a sub-adviser with discretion to manage a portion of the Fund’s portfolio with a focus on futures and FX investment strategies. The activities engaged in by the Sub-Adviser are subject to the supervision of OxFORD.

### **The Services**

OxFORD provides discretionary asset management for the Fund, which is its single client. Its investment objective is to achieve capital appreciation by employing various investment strategies based on quantitative and/or qualitative analysis. The quantitative investment strategies employed

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are implemented using computer models of financial instruments and markets. These models are designed to assess features of financial instruments and markets for the purpose of predicting future prices of financial instruments based on analysis of historical prices, returns and other financial information.

**The Client**

OxFORD's advisory services are entirely focused on the requirements of the Fund in accordance with the Fund's particular investment objectives and restrictions as are set out in the Investment Advisory Agreement between OxFORD and the Fund. The Board of Directors of the Fund reviews these investment objectives and restrictions on a regular basis.

**Wrap Fee Programs**

OxFORD does not participate in wrap fee programs.

**Assets under Management**

OxFORD manages net assets totalling \$4,400 million, calculated as at March 31st, 2015. Regulatory assets under management at the same date were \$12,600 million.

**Item 5 - Fees and Compensation**

**Compensation for Advisory Services**

OxFORD charges the Fund management fees on a monthly basis. In addition, OxFORD charges a performance fee calculated on the basis of net capital appreciation subject to a high water mark mechanism. Investors in the Fund pay two per cent per annum on a monthly basis and an incentive fee of twenty per cent of net capital appreciation on a quarterly basis. These fees have been agreed and are not negotiable and are described in full in the Fund's Information Memorandum.

**Billing of Compensation for Advisory Services**

Fees payable are deducted from the assets of the Fund at the end of the month or quarter as applicable. They are not billed separately. Fees are always paid by the client in arrear.

**Other Expenses**

The Fund bears its own trading costs including brokerage (see Item 12 - Brokerage Practices for additional information regarding brokerage), interest and stock loan fees. It also bears its own expenses such as professional fees, fund administration fees and insurance. The Fund may, subject to approval by its Directors, pay for datasets or information where this is expected to be used in connection with the development or execution of investment strategies or possible investment strategies to further the investment objective and where such payment is in the best interests of the Fund.

Further, each of the Feeder Funds incurs certain ongoing administrative and other costs and expenses. All such costs and expenses are intended to be paid or borne as a general expense of the Fund (irrespective of whether a particular expense is directly attributable to a specific Feeder Fund); provided that: (i) each Feeder Fund will bear its own costs and expenses for manager service fees or directors' fees (as applicable); and (ii) the Fund expects to allocate the cost of the US withholding tax paid on dividends and certain other "US source payments" to the Non-US Feeder Fund as the US Feeder Fund itself is not subject to any US withholding tax (which can be substantial in amount). If any fees or expenses are charged at the Feeder Fund level, corresponding fees are not also charged at the Fund level and vice versa, so there will be no "layering" of fees.

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**Advance Payment of Fees**

OxFORD does not charge any fees in advance.

**Compensation for Other Investment Products**

OxFORD does not receive any income from the sale of investment products to clients. Its advisory income is derived entirely from the advisory fees and incentive fees referred to above.

OxFORD provides a range of non-investment advisory and operational support services to Oxford Asset Management GmbH, an affiliated entity regulated by the Financial Markets Authority in the Principality of Liechtenstein. These services are charged for on a cost-plus basis.

No commissions are charged by OxFORD.

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

As previously noted in Item 5, OxFORD charges a performance based fee to the Fund. This fee is borne by investors in the Fund. OxFORD currently has a single client, the Fund, and does not carry out any other investment advisory services. Because OxFORD advises and trades on behalf of a single client, OxFORD faces no conflicts with respect to side-by-side management. If in the future OxFORD advises and trades on behalf of more than one client, OxFORD will put into effect allocation policies and procedures to mitigate conflicts of interest and help ensure that one client is not unduly favoured over another.

**Item 7 - Types of Clients**

OxFORD's client, the Fund, is an open-ended investment company incorporated under the laws of the Cayman Islands. The Fund offers shares to both Non-US Persons and US Persons. With respect to US Persons, shares may only be purchased by shareholders that qualify as: (i) "accredited investors" as defined under Regulation D of the Securities Act of 1933, and (ii) "qualified purchasers" as defined under Section 2(a)(51) of the Investment Company Act of 1940. Shareholders must also meet other suitability requirements. Investors in the Fund may include, but are not limited to, pension plans (corporate, state and foreign), sovereign wealth funds, endowments, foundations, banks, pooled investment vehicles (eg funds-of-funds), high net worth individuals, trusts, estates or charitable organisations, and corporate or business entities.

The minimum subscription is \$2 million for US Dollar shares (or its equivalent in Pound Sterling with respect to Pound Sterling shares or its equivalent in Euros with respect to Euro shares), although the Board of Directors may decide to accept subscriptions for lesser amounts.

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

**Investment Strategies**

As noted under Item 4, OxFORD's investment approach is to achieve capital appreciation for the Fund by employing various investment strategies based on quantitative and/or qualitative analysis. The quantitative strategies employed are implemented using computer models of financial instruments and markets. Such process-driven strategies are designed to assess features of financial

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instruments and markets for the purposes of predicting future prices of financial instruments, based on analysis of historical prices and returns, associated information, and other information and datasets procured from research organisations, news providers or aggregators, brokers or other persons.

OxFORD's equity strategies generally comprise long-short, process-driven security selection, characterised by four broad approaches:

- i) Linear strategies, which identify mispricing of individual securities, using fundamental, market, and informational data;
- ii) Non-linear strategies, which use quantitative analysis to determine the evolving behavioural themes driving the movement of securities prices, to derive a forecast of each security's future return;
- iii) Idiosyncratic strategies, which are predominantly event-based strategies, such as merger arbitrage, news flow, and index re-balances;
- iv) Micro-market strategies, which capitalise on short-term price discovery to determine the "fair value" of a security or basket of securities.

Each equity strategy is divided into separate liquidity and geographic bands; each band forms a distinct sub-portfolio that is structured to be beta-neutral, with controlled sector, capitalisation, liquidity, value-growth, and other tilts. Each strategy is optimised and sized in proportion to its volatility, correlation with other strategies, expected return, transaction costs, and anticipated holding period.

A futures instrument portfolio component, which has to date typically accounted for a marginal contribution to portfolio risk of up to 25%, is managed in the context of the overall portfolio. The futures portfolio, which is comprised of a number of strategies, holds positions across asset classes. It is dynamically optimised and balanced, and comprises liquid instruments, including exchange-traded futures contracts, currency forwards and government bonds. The futures portfolio may take directional market exposure which is carefully monitored.

All of the Fund's strategies are quantitative in nature and predominantly systematic and process-driven. When appropriate, and within the quantitative risk-management framework, opportunistic investments will be made.

A key component of OxFORD's strategy implementation is risk management. The analysis and forecasts computed may be tempered by the exercise of qualitative discretionary judgement. In addition, consideration will be given to the costs of implementing strategies and trades. OxFORD may limit exposure to any identifiable risk or any specific trade with the goal of dampening the volatility of the performance of the Fund's portfolio.

**Material Risks**

OxFORD draws attention to the following statement in the Fund's Information Memorandum:

**"An investment in [OxAM Quant Fund]**

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- **involves a high degree of risk, including the entire loss of an investment;**
- **is suitable only for sophisticated investors; and**
- **is not suitable for investors who may wish to realise their investment at short notice.**

**Prospective investors should consider carefully all the information in this Information Memorandum.....the advice they receive from their own legal, tax, financial and other professional advisers and the risk factors set out [in the section of the Information Memorandum headed “Certain Risk Factors”].”**

The Information Memorandum includes a non-exhaustive list of risk factors relevant to the Fund. Summarised below are the main risks in this list arising from OxFORD’s investment strategies (including those managed by Oxford Asset Management GmbH):

*Past performance:* past performance should not necessarily be construed as an indication of future results.

*Market disruptions:* major losses may be incurred by investors in the event of disruptions or other extraordinary happenings which affect markets in a way that is not consistent with historical pricing relationships.

*Governmental intervention:* governments may intervene in markets, particularly in times of financial crisis, in ways which may have an unpredictable impact on the investment strategies pursued by OxFORD and other market participants.

*Transaction costs:* the investment strategies implemented by OxFORD involve a high level of trading and turnover of the portfolio which incur substantial transaction costs which are borne by the Fund.

*Correlation with markets:* OxFORD seeks to implement trading strategies which are not correlated to general stock and bond markets and which therefore can be used to diversify the risk in an overall portfolio. There can be no guarantee that such non-correlation can be achieved.

*Leverage and collateral:* in implementing its investment strategies on behalf of the Fund, OxFORD utilises leverage. This may be implemented on a collateralised basis (in which case, the assets of the Fund may be used as security) or on an uncollateralised basis. Leverage may take the form of trading on margin, using derivative instruments that are inherently leveraged and other forms of direct and indirect borrowing. Leverage enables larger positions to be taken than would be the case if leverage were not utilised and entails a high degree of risk. The use of leverage can mean that a relatively small adverse price movement in an underlying security may result in a greater loss than would be the case if leverage were not utilised. The parties that are expected to provide leverage are, generally, entitled to receive margin or other collateral to secure such leverage and these parties may have discretion to increase the collateral requirements for the leverage they provide, potentially on very little notice. At any particular time, there may be insufficient funds to meet additional collateral requirements and it may be necessary to liquidate positions in order to meet these requirements on terms which are not favourable.

*Cost of borrowing:* the level of interest rates can have a substantial effect on the performance of the investment strategies implemented for the Fund.



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*Directional strategies:* OxFORD engages in directional long/short strategies which are inherently uncertain and can lead to losses if the market moves against a position.

*Short sales:* in implementing its investment strategies on behalf of the Fund, OxFORD engages in short selling. This involves selling securities which are not owned by the Fund. Theoretically, a short sale creates the risk of an unlimited loss. This is because the price of the underlying security could increase without limit, thus increasing the cost of buying those securities to cover the short position. There can be no assurance that the securities necessary to cover a short position will be available for purchase. Purchasing securities to close out the short position can itself cause the price of the securities to rise further, thereby exacerbating the loss. In addition, regulators have intervened in markets to restrict or suspend the use of short selling.

*Hedging:* in implementing its investment strategies on behalf of the Fund, OxFORD utilises various hedging techniques and a variety of financial instruments for risk management purposes. There can be no assurance that these hedging techniques will be successful and OxFORD may not be able to hedge all risks to which the portfolio is exposed.

*Concentration of investments:* in implementing its investment strategies on behalf of the Fund, OxFORD may invest in a number of relatively large positions in certain markets, sectors, regions and/or types of investment securities. Consequently, an adverse price movement in respect of any such position could result in significant losses.

*Use of models:* OxFORD employs various models to implement its strategies. Models typically incorporate assumptions derived from past market data which may over time be proved to be incorrect. This could mean that previously successful models cease to be effective.

*Reliance on technology:* OxFORD uses investment strategies that are dependent upon various forms of technology. Performance could be materially adversely affected if, for any reason, the technology relied upon ceases to be available to OxFORD or if the technology fails to perform in the manner expected (including because of power, systems or telecommunications failures, acts of terrorism and other events).

*Equities:* OxFORD's investment strategies involve trading in equities. Equities are subject to numerous issuer specific pricing factors as well as to general market effects. There can be no assurance that such factors will not change unpredictably over time in ways not anticipated in the investment strategies.

*Derivatives transactions:* in implementing its investment strategies on behalf of the Fund, OxFORD uses a wide range of derivative instruments, which can be highly speculative and involve numerous significant risks. These can result from, amongst other things, a high degree of leverage, illiquidity, volatility and counterparty risk.

*Currency risk:* in implementing its investment strategies on behalf of the Fund, OxFORD invests in securities and financial instruments denominated in, or the price of which is calculated by reference to, a range of currencies. Accordingly, the value of the portfolio may fluctuate relative to the currency of investment.

*Trade errors:* the possibility of trade errors is an inherent risk in the trading strategies implemented by OxFORD. Whilst OxFORD seeks to limit the possibility of trade errors occurring, these are considered to be an inherent risk of both algorithmic and discretionary trading and any trading

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errors, by man or machine, are charged to the Fund in the same way as any other trading gain or loss.

*Investments in emerging markets:* in implementing its investment strategies on behalf of the Fund, OxFORD invests in securities of entities based in emerging markets. Investing in these securities involves certain considerations not usually associated with investing in securities of entities based in developed markets.

*Small capitalised companies and newly formed companies:* in implementing its investment strategies on behalf of the Fund, OxFORD invests in securities of small capitalised companies and newly formed companies. These may involve higher risks than investments in larger capitalised companies and companies with a longer operating history.

*Custody and prime broker risks:* a substantial portion of the portfolio will be held by prime brokers and custodians. Assets comprised in the portfolio may be available to the creditors of the prime brokers (and any other person acting as custodian of part of the Fund's portfolio) in the event of the insolvency of the prime brokers.

*Counterparty risk:* transactions entered into by OxFORD on behalf of the Fund are subject to the risk of the inability of any counterparty (including the prime brokers and custodians) to perform with respect to transactions, whether due to insolvency, bankruptcy or other causes.

*Legal, regulatory and tax changes:* the regulatory environment in which OxFORD operates is changing rapidly and significantly. Changes may mean that investment strategies adopted by OxFORD may no longer be viable or that they are less profitable for investors in the Fund.

**Risks of Securities Recommended**

The investments made by OxFORD on behalf of the Fund are subject to the risks inherent in investing in financial instruments and markets. All investments could be lost entirely. Accordingly, all investments made by investors in the Fund could be lost entirely.

**Item 9 - Disciplinary Information**

OxFORD is not aware of any legal or disciplinary events that are material to an evaluation of its advisory business.

**Criminal or Civil Actions**

Neither OxFORD itself nor any of its management persons has been convicted of any felony or misdemeanor, named subject of a criminal proceeding or found to have been involved in a violation of an investment related statute. Furthermore, neither OxFORD nor any of its management persons has been made the subject of an order limiting its investment activity.

**Regulatory Actions**

Neither OxFORD nor any of its management persons has been involved in any regulatory proceeding before the SEC, the CFTC, the FCA or any other regulatory body.

**Self-Regulatory Proceedings**

Neither OxFORD nor any of its management persons has caused an investment related business to lose its authorisation to do business or has been found in violation of any self-regulatory organisation's rules.

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**Item 10 - Other Financial Industry Activities and Affiliations**

**Broker Dealer**

Neither OxFORD nor any of its management persons is registered or has applied to register as a broker dealer.

**Futures Activity**

OxFORD is registered as a CPO and a CTA with the CFTC and is a member of the NFA in such capacities.

**Affiliations**

OxFORD has an affiliation with a Liechtenstein based adviser, Oxford Asset Management GmbH which is registered as a CPO and a CTA with the CFTC and is a member of the NFA in such capacities but is exempt from registration with the SEC under the Foreign Private Adviser Exemption. In 2013, OxFORD appointed Oxford Asset Management GmbH as a sub-adviser with discretion to manage a portion of the Fund's portfolio with a focus on futures and FX investment strategies. OxFORD provides a range of non-investment advisory and operational support services to Oxford Asset Management GmbH for which it charges on a cost-plus basis.

**Selection of Investment Advisers**

OxFORD does not recommend any other investment advisers to clients and consequently receives no benefit of any nature as a result.

**Item 11 - Code of Ethics, Participation in Client Transactions and Personal Trading**

**Code of Ethics**

Pursuant to Rule 204A-1 under the Investment Advisers Act of 1940, as amended (the "Advisers Act"), OxFORD has adopted a written Code of Ethics based on the principle that the interests of its clients must come before the interests of the individual. This requires all staff to act honestly and fairly in their dealings with clients and to adhere to all relevant laws and regulations. The Code of Ethics is designed to address and avoid potential conflicts of interest and is applicable to all officers, directors, members, partners and employees of OxFORD. It contains provisions designed to prevent improper personal trading and to identify and resolve or mitigate any conflicts of interest. All personal trades entered into by members of staff are subject to advance approval by the Chief Executive Officer or one of the other founder partners.

A copy of the Code of Ethics will be made available on request to those investing or interested in investing in the Fund by contacting the Chief Compliance Officer.

**Financial Interest in Securities**

Any securities in which a member of OxFORD has a material financial interest are excluded from the universe of securities in which OxFORD can trade; therefore any potential conflict of interest is avoided.

**Investing in Same Securities**

All personal trades entered into by members of staff are subject to advance approval by the Chief Executive Officer or one of the other founder partners. The volume and nature of the investment

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strategies adopted by OxFORD mean that individuals are not typically aware of any orders being placed at the time they request permission to trade in securities on their own account.

**Investing in Recommended Securities**

OxFORD does not recommend securities to clients but rather manages a client portfolio with discretionary authority. OxFORD does not trade for its own account.

**Item 12 - Brokerage Practices**

**Selection of Broker Dealers**

OxFORD utilises various brokers and dealers to execute securities transactions for its client. OxFORD seeks best execution by selecting brokers or dealers based on a number of factors, including commission levels and the brokers' or dealers' facilities, reliability, financial responsibility, ability to effect transactions and assistance with capital introduction and marketing for the Fund. OxFORD negotiates the commissions for the Fund.

*Soft Dollars:* The term "soft dollars" refers to a means of paying brokerage firms or other third parties for products and services through commission revenue, based on the volume of brokerage commission revenues generated from securities transactions executed through brokers by an investment manager on behalf of advisory clients.

The Fund has entered into a Commission Sharing Agreement (typically referred to as a soft dollar account in the United States) with Morgan Stanley & Co. International plc and Morgan Stanley Securities Limited (together "Morgan Stanley") under which eligible commissions charged by Morgan Stanley may be used to provide execution or other services such as research from third parties.

Any such services acquired by the Fund will be within the "safe harbor" provided under Section 28(e) of the Securities Exchange Act of 1934 (the "Exchange Act") and will adhere to Section 11.6 of the FCA's Conduct of Business Sourcebook.

*Client Referrals:* OxFORD does not receive client referrals from brokers. As mentioned above, however, OxFORD may receive assistance from its selected brokers with respect to capital introduction and marketing of the Fund to investors.

*Directed Brokerage:* The Investment Advisory Agreement entered into between OxFORD and the Fund allows OxFORD to select the brokers it uses in executing the business transacted. The Fund therefore does not direct the choice of broker although all such decisions are ultimately subject to the Fund's approval. The Fund's Board of Directors regularly reviews the performance of its counterparties at their periodic board meetings.

**Aggregation of Orders**

OxFORD advises only the Fund regarding trading, so aggregation and trade allocation are not currently relevant.

**Trade Errors**

As mentioned in Item 8, the possibility of trade errors is an inherent risk in the trading strategies implemented by OxFORD. Whilst OxFORD seeks to limit the possibility of trade errors occurring, these are considered to be an inherent risk of both algorithmic and discretionary trading and any

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trading errors, by man or machine, are charged to the Fund in the same way as any other trading gain or loss.

OxFORD has established policies and procedures designed to identify, report and rectify any trade errors identified and to take reasonable steps to reduce the possibility of any recurrence.

**Item 13 - Review of Accounts**

OxFORD reviews and updates the investment and trading strategies which it develops to manage the Fund's account as well as the risk profile arising as a result of the trades flowing from the application of those models. This review is performed by the partners of OxFORD and other senior staff who collectively form its investment committee. The investment committee meets at least once a month.

Investors in the Fund are provided by its independent administrator with written statements on a monthly basis showing activity and valuation of their holdings. Investors in the Fund are also provided with audited annual financial statements.

**Item 14 - Client Referrals and Other Compensation**

Any economic benefits arising as a result of OxFORD's activities (eg commission rebates) are credited to the account of the Fund. No conflict of interest arises in this respect.

No payments are made to third parties in respect of client referrals.

**Item 15 - Custody**

All client assets are held by custodians who are the unaffiliated prime brokers appointed by the Fund. Investors in the Fund will not receive statements from the custodian. Daily statements of holdings are provided directly to the independent administrator appointed by the client. Financial statements prepared under US GAAP are sent to all investors and are subject to independent audit performed by an independent public accountant who is registered with, and subject to regular inspection by, the Public Accounting Oversight Board, and the audited financials are distributed to each investor. The audited financial statements are distributed within 120 days (in practice within 90 days) of the Fund's fiscal year end and thereby satisfy the "audit exemption" from Rule 206(4)-2, known as the "Custody Rule" under the Advisers Act.

**Item 16 - Investment Discretion**

OxFORD has discretionary authority on behalf of the Fund as set out in the Investment Advisory Agreement between the two parties. OxFORD has delegated authority to Oxford Asset Management GmbH to manage a portion of the Fund's portfolio. Under the terms of the Investment Advisory Agreement, the Fund may stipulate certain investment restrictions. The Fund's Board of Directors regularly reviews the existing restrictions and considers whether they should be amended. The Fund's Board of Directors retains the right to appoint different service providers including

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banks, custodians and brokers. Certain functions such as authorisation of cash payments (eg transfers to prime brokers or payments to service providers) are delegated to OxFORD.

## **Item 17 - Voting Client Securities**

OxFORD has authority to vote its client securities as the Fund has delegated this authority to it. OxFORD is not required to vote every proxy and it may refrain from voting. In deciding whether and how to vote regarding the Fund's securities, OxFORD will act in the best interests of the Fund. Generally, OxFORD will exercise its right to vote proxies where it believes the results of the vote may materially affect the value of the relevant securities. The Fund may obtain information about how OxFORD voted regarding its securities and/or a copy of OxFORD's proxy voting policies and procedures upon request.

## **Item 18 - Financial Information**

### **Financial Statements**

OxFORD (i) does not require prepayment of any fees (ii) does not have a financial condition that is likely to impair its ability to meet contractual commitments to clients and (iii) has not been subject to any bankruptcy proceeding during the past 10 years. Accordingly OxFORD has not appended a copy of its most recent financial statements to this brochure.

### **Financial Condition**

OxFORD has discretionary authority over client assets but is not permitted by the Financial Conduct Authority in the United Kingdom to hold those assets and accordingly, in this regard, OxFORD's financial condition does not affect its ability to meet its commitments to the Fund.

### **Bankruptcy Petition**

Neither OxFORD nor any of its management persons has ever been the subject of a bankruptcy petition.