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Liongate Capital Management LLP

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This Brochure provides information about the qualifications and business practices of Liongate Capital Management LLP (“Liongate LLP”). If you have any questions about the contents of this Brochure, please contact us on +44 20 7073 4600. 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.

Liongate LLP is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information with which you determine whether or not to hire or retain an Adviser.

Additional information about Liongate LLP also is available on the SEC’s website at <http://www.adviserinfo.sec.gov>

This Brochure was updated as at December 2014.

Thank you,

Candice Thorpe

Item 2 – Material Changes

Liongate Capital Management LLP (“Liongate LLP”) remains a Limited Liability Partnership in the United Kingdom. Amongst some minor amendments that have been made to the ADV form this year, material changes to note are that Liongate LLP has a new Chief Compliance Officer (“CCO”), Candice Thorpe and also a new Chief Financial Officer (“CFO”) and Chief Operating Officer (“COO”), Tim Stumpff. Randall Hobbs, the previous CFO/COO/CCO has now left the firm.

We will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

Currently, our Brochure may be requested by contacting Paul Bentley, Managing Director & Head of Investor Relations at +44 20 7073 4600 or pbentley@liongate.com.

Additional information about Liongate LLP is available via the SEC’s website www.adviserinfo.sec.gov. The SEC’s website also provides information about any persons affiliated with Liongate LLP.

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Brochure

Supplement(s)

Item 4 – Advisory Business

A. Description of the advisory firm and Principal owner

Liongate LLP was formed in 2003 as a Limited Liability Partnership in the United Kingdom. We are an investment adviser and became authorised and regulated by the UK Financial Conduct Authority (“FCA”) on 1st September 2003. We were also granted registration as an Investment Advisor by the US SEC in July 2010. The Group maintains registrations with other relevant authorities in the jurisdictions in which we operate.

In May 2013 the Principal Financial Group® (“PFG”) acquired 55% of Liongate LLP and the wider Liongate Group (“Liongate”). PFG has a diversified global asset management arm referred to as Principal Global Investors (“PGI”). PGI’s investment capabilities encompass a range of equity, fixed income and real estate investments. Globally, PGI manages USD 331bn across over 20 office locations worldwide. The PGI network of specialized investment boutiques manages assets for a broad range of investors around the world. The scope of PGI’s investor base spans over 70 countries and includes a number of the world’s largest and most respected retirement funds.

Liongate LLP is an investment advisory, marketing, investor relations and research firm specializing in portfolios of hedge funds.

Currently, Liongate manages circa USD 534 million in assets, serving clients through its offering of multi-strategy and strategy specific funds of hedge funds and tailored offerings. Liongate employs around thirty five individuals and has offices in London, New York, India and Malta. Liongate’s primary companies and their relationship to Liongate LLP are:

- Liongate Capital Management (Cayman) Limited (“Liongate (Cayman)”) – an Investment Manager which is a limited company in the Cayman Islands. Liongate LLP provides investment advice to this entity.
- Liongate Capital Management Limited (“Liongate (Malta)”) – an Investment Manager which is a limited company in Malta. Liongate LLP also provides investment advice to this entity.

The Owners:

The owners of Liongate LLP are specified below with approximate percentage ownership interests:

- PFG (55% controller);

PGI is the diversified global asset management arm of PFG. PGI’s investment capabilities encompass a range of equity, fixed income and real estate investments.

- Liongat Principals (40%):

- Randall Dillard

Mr Dillard is the Chief Investment Officer and Co-Founder of Liongat LLP. Previously, he was at Nomura International as Managing Director within investment banking and also the Head of Merchant Banking, which managed discretionary and principal investments on behalf of Nomura and related entities. The scope of investment activities included a broad range of financial instruments relating to equity, fixed income, derivatives, foreign exchange, private equity and emerging markets. Mr Dillard was previously in investment banking with Merrill Lynch International and a solicitor at Clifford Chance Solicitors. He is a post-graduate of law and faculty Fellow of Pembroke College, University of Cambridge, and also founded the “Randall Dillard Fellowship” for post-doctoral research in International Relations.

- Jeffery Holland

Mr Holland is Managing Director and Co-Founder of Liongat LLP and in addition to serving on the firm’s Investment Committee, is responsible for client risk management at the firm. Mr Holland previously worked with Deutsche Bank as Vice President within Investment Banking. Mr Holland is a Certified Public Accountant (CPA) in the US. He studied at Baylor University where he graduated summa cum laude. Mr Holland holds a Master’s in Finance from London Business School.

- Others (<5%)

B. Types of Advisory Service

Liongat LLP is an investment advisory and research firm specializing in advising its clients on investments primarily in a variety of investment vehicles typically referred to as hedge funds managed by third parties. Our clients are two overseas investment management firms within the Liongat Group, namely Liongat (Cayman), based in the Cayman Islands, and Liongat (Malta), based in Malta.

We provide investment advice to the above named clients on investments in funds of hedge funds. We also provide advice on the allocation of assets of the funds managed by Liongat (Cayman) and Liongat (Malta).

All investment advice is provided by Liongat LLP to the Boards of Directors of the Investment Managers so Liongat LLP does not have ultimate discretion over investment management decisions.

The Liongat Group manages assets for a variety of clients, predominantly including collective investment vehicles and pension funds.

Our Investment Philosophy can be broadly summarized as follows:

1. Select Profitable Strategies

- Understand the effect of macroeconomic changes on hedge fund strategies;
- Select strategies and managers which are best positioned to profit from imminent economic conditions.

2. Dynamically Re-Allocate Capital

- Maintain sufficient liquidity to enable dynamic re-allocation
- Shift portfolios actively to capture market opportunities

3. Keep the Portfolio Diversified

- Construct a diversified mix of strategies
- Maintain a diversified roster of managers

4. Deliver Consistent Risk-Adjusted Returns

- Continuous and in-depth qualitative and quantitative analysis
- Risk control/require managers to provide a minimum level of portfolio transparency

Liongate LLP advises on the use of moderate levels of leverage to facilitate the reallocation of our investment portfolios, allowing for rapid deployment of capital to take advantage of identified market opportunities. Liongate LLP may also advise on the use of leverage to supplement the assets of the Fund or to leverage the investment portfolio. We however do not seek to advise on the use leverage to amplify investment returns, nor do we seek to invest in inappropriately levered hedge fund strategies.

Liongate LLP advises on investment in a wide range of hedge fund strategies as outlined in Item 8 below.

One of the focuses of Liongate LLP is to advise on the allocation of assets within the Liongate Multi-Strategy Fund which has around USD 240 million under management as of 31 December 2014. The Liongate Multi-Strategy fund is Liongate's flagship product and the most actively traded fund. This is a diversified portfolio of hedge funds with the aim of delivering a consistent annual return to investors of LIBOR plus >5% per annum. Liongate aims to limit the maximum allocation to any individual fund to ten per cent.

Full information on investment guidelines can be found in the Offering Memorandum for each Liongate fund.

Liongate LLP also provides investor relations services to its clients.

C. Tailored Investment Advice

Each fund that we advise our clients on is subject to investment guidelines.

As an example, for our flagship Liongate Multi-Strategy Fund the manager and strategy guidelines are:

- Minimum investment in 30 managers.
- Maximum allocation to any individual fund 10%.
- Maximum allocation to any asset management company 15%.

The Liongate Multi-Strategy Fund has the following strategy exposure limits, which have been established to maintain diversity:

- Equity Long/Short 0%-40%
- Event Driven 0%-30%
- Multi-Strategy 0%-30%
- Distressed 0%-30%
- Convertible Arbitrage 0%-30%
- Equity Market Neutral 0%-30%
- Volatility Arbitrage 0%-30%
- Global Macro 0%-30%
- Fixed Income 0%-30%
- Sector Specialist 0%-30%
- Merger Arbitrage 0%-30%
- Emerging Markets 0%-30%

Additional investment guidelines can be found in the Offering Memorandum for each Fund.

D. Client Asset

Liongate LLP did not manage any assets on a discretionary basis as of 31 December 2014. Assets under management on a non-discretionary basis were USD \$534m as of 31 December 2014.

Item 5 – Fees and Compensation

In consideration for the services that Liongate LLP provides to its Clients, Liongate LLP receives a percentage of all fees charged to the underlying investors of the funds by the Clients.

Pursuant to the Offering Memorandums and Investment Management Agreements or Mandate of each fund, the Clients are entitled to receive management and/ or performance fees which are charged to the underlying investors of the funds. The management fee is usually a fixed percentage per annum of monthly Assets Under Management. Management fees are earned and paid to the Clients by the funds on a monthly basis. Performance fees are

usually charged as a percentage of the gain experienced by each underlying investor of the funds. Performance fees crystallize annually, quarterly or semi-annually dependent on the fund and the share class of the fund.

As Liongate LLP is a non-discretionary manager, it is not involved in any rebate of fees to the underlying investors of the funds.

Liongate LLP does not accept any fees or commissions from hedge fund investments for including them in the investment portfolios of the funds.

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

All fees earned by Liongate LLP are outlined in Item 5.

Item 7 – Types of Clients

Liongate LLP's clients are overseas investment managers.

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

Methods of Analysis

Asset Allocation by Investment Strategy (“Top-down” Approach)

Liongate's Investment Team manages our portfolios dynamically, reallocating monthly towards investment strategies which are positioned to perform well in the current macro environment and away from those strategies which are not expected to perform well. The investment strategy or strategies that are believed to offer the most attractive opportunities (on a risk-adjusted basis) will be offered the largest allocations, within predefined strategy diversification limits. It is possible that one or more underlying investment strategies will be totally excluded from the portfolio at any given time if it is believed that it does not lend itself to adequate returns or has become, or is likely to become, asymmetrically biased to the downside.

Manager Due Diligence

- **Initial Screening**

Each member of the Qualitative Research Team is assigned primary responsibility for each investment theme within the portfolio, with a secondary analyst assigned secondary responsibility for each theme. The analysts are responsible for knowing managers of interest within their assigned focus. Our Qualitative Research Team meets hundreds of managers each year in initial exploratory meetings, with a focus on managers within those strategies which are favoured currently by the Investment Team. Each exploratory meeting is documented with a Hedge Fund Pipeline Report. This Report presents a summary of the items discussed and includes a quantitative assessment of the manager which is prepared by the Quantitative Research Team. The Qualitative Research Team

give a recommendation as to whether or not the fund should be considered for further consideration.

The Analysts propose those managers which are believed to offer the most consistent, risk-adjusted performance returns.

The Investment Team holds weekly Research Meetings where those funds recommended on the Hedge Fund Pipeline Report for further consideration are discussed. Funds are either approved or rejected for further consideration by the Investment Team. Funds approved for further consideration subsequently undergo extensive qualitative analysis, quantitative analysis and operational due diligence (“ODD”).

- Qualitative Analysis of Managers

The basis for the qualitative analysis of individual managers involves in-depth interviews and research. On-site due diligence is conducted by at least the Analyst with primary responsibility for the manager’s investment strategy and is usually attended by at least one member of the Investment Team. The review focuses in detail on the investment process, risk management, capacity issues, and liquidity concerns and provides a qualitative assessment of the experience and edge the manager may demonstrate. Each review results in an in-depth and detailed Qualitative Due Diligence Report (typically 20-30 pages long) in which the Analyst gives a formal opinion as to the pros and cons of the manager under review.

- Quantitative Analysis of Managers

The quantitative analysis is completed by the Quantitative Research Team, working with the Senior Risk Analysts. The objective of this analysis is two-fold:

- 1) To assess whether the subject fund does generate excess return; and
- 2) To determine to what extent the subject fund adds diversification and value to the portfolio. The analysis, which results in a detailed Quantitative Analysis Report, is conducted primarily using the firm’s proprietary risk system (PRiMa), and the externally provided system Risk Data. The report covers, amongst other things, factor exposure analysis, value-added performance evaluation over customized benchmarks, stress tests, market scenario modeling, Value-at-Risk measures and the potential impact on the portfolio and tail event analysis.

- Operational Due Diligence of Managers

Should the qualitative and quantitative analysis prove favorable, the process would progress to the Operational Due Diligence review. The operational due diligence process involves assessment of the managers’ infrastructure and business processes, its relationship with trading counterparts, the independence of their administrator, as well as a review of audited reports, use of leverage etc. The process involves reviewing the fund documents (incorporation, offering memorandum, trading agreements, etc.), terms, structure, and valuations. We conduct due diligence discussions with the manager (including the manager’s Chief Investment Officer, CFO, COO, Head of Risk and Head

of Marketing), the auditor and the administrator. We perform background checks on the fund, management company and key individuals. We cross-reference information from a number of sources, which allows for better identification of any inconsistencies. The process is documented in the Operational Due Diligence Report, with each fund given either a “Pass” or “Fail.” The head of the Operational Due Diligence Team has absolute veto power over the possible use/continued use of a manager. If a manager fails the operational due diligence review process, Liongate will not invest with the manager (and will redeem current investments if it is a manager currently being used).

Portfolio Construction

The portfolio construction process is designed to ensure that the allocations to investment strategies and managers are consistent with the portfolio's risk and return objectives. The objective of this process is to construct a well-diversified portfolio that minimises common exposures between funds and takes into account the potential effects of an unfavourable or changing market environment using particular stress test assumptions at the fund and portfolio level. Special consideration is given to understanding the aggregate risk exposures in the portfolio, to ensure that portfolio positioning is consistent with the defined top-down view. Liongate does not pursue a model portfolio but instead seeks to construct a portfolio within our investment guidelines and consistent with our current top-down views. In order to achieve this we typically make small reallocations on a monthly basis, around 3-5% of capital, within each portfolio, which translates to strategy reallocation of approximately 40% throughout the year. We do not have minimum target weights to any individual strategy, however, we use maximum weights to ensure diversification. We believe that this dynamic reallocation process represents a significant competitive advantage as it allows our portfolios to be significantly more flexible than our competitors.

All final investment recommendations are made by the Liongate LLP Investment Team, with final sign off by the Principals. These recommendations are then considered by the Boards of the Investment Managers who make the final decision.

Investment Strategy

Liongate invests in a wide range of hedge fund strategies including (but not necessarily limited to) the following:

- **Equity Long/Short:** Purchase and short sale of common stock driven by fundamental research. Manager's focus can vary by sector, capitalization range and region. The strategy may involve varying levels of directional exposure.
- **Multi-Strategy:** Investing in a variety of market strategies with exposures to each, varying over the market cycle.
- **Event Driven:** This strategy involves taking positions in securities based on expectations about an extraordinary corporate event or catalyst that has or is expected to occur, often employing derivatives and potentially leverage to boost returns. Catalysts include earnings announcements, takeovers, recapitalizations, spin-offs, restructurings etc.

- **Volatility Arbitrage:** Volatility traders treat “volatility” as an asset. These funds invest in a variety of instruments exploiting the changing characteristics of their volatility over time.
- **Emerging Markets:** Investing in equity, debt or derivatives of less developed markets which tend to have less creditworthiness, higher inflation and volatile growth.
- **Fixed Income:** Exploitation of mispricing in fixed income securities and their derivatives. Managers can focus on credit, capital structure, liquidity and/or duration trades.
- **Equity Market Neutral:** Being long and short stocks within the same sector, industry, market capitalization or country to create a portfolio that is neutral to all market factors.
- **Distressed:** Trades or investments in equities, bonds or claims of companies in or emerging from financial difficulties, or undergoing a restructuring process.
- **Global Macro:** Identifying disparities in the relationship between price and underlying value in any of the world’s capital, currency, commodity and derivative markets, or by taking a view on the direction of a market or investment.

Risk of Loss

Investing in securities involves risk of loss that clients should be prepared to bear. Key risks that Liongate’s clients should be aware of are as follows:

Operational Risks:

- Loss of key staff
- Fund valuation errors
- Failure of outsourced service providers
- Trade ticket errors
- IT systems failure
- Failure to comply with taxation requirements
- Breach of regulatory rules

Business Risks:

- Loss of fund sub-management agreement
- Loss of a large investor
- Poor investment recommendation/decision
- Poor investment performance
- Damage to reputation

Credit Risk:

- Bad debt risk
- Liquidity risk
- Concentration risk

Market Risk:

- Changes in exchange rates
- Long term market down turn

Item 9 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Liongate LLP or the integrity of Liongate LLP's management. Liongate LLP has no information applicable to this Item.

Item 10 – Other Financial Industry Activities and Affiliations

Liongate (Cayman), a Cayman limited company, is the Investment Manager of private funds and mandates in respect of which Liongate LLP provides investment advice. Liongate (Cayman)'s personnel are subject to Liongate LLP's supervision and control. Liongate LLP has common officers with Liongate (Cayman) in Randall Dillard and Jeff Holland. Liongate (Cayman) is a 9.1% indirect controller of Liongate LLP.

Liongate (Malta), a Maltese limited company, is the Investment Manager of private funds and mandates in respect of which Liongate LLP provides investment advice. Liongate LLP has a common officer with Liongate (Malta) in Randall Dillard and is also under common control with Liongate (Malta).

Liongate LLP is under common control with Principal Global Investors, LLC ("PGI, LLC"). PGI, LLC is an investment adviser registered with the Securities and Exchange Commission. PGI, LLC is also registered with the US Commodity Futures Trading Commission ("CFTC") as a Commodity Trading Advisor and is a member of the National Futures Association ("NFA"). PGI, LLC advises Qualified Eligible Persons under CFTC Regulation 4.7. PGI, LLC offers portfolio management services for various strategies including fixed income, equities and commercial real estate products. Liongate LLP has arrangements with PGI, LLC which provide that PGI, LLC will furnish certain personnel, services, and facilities used by the Liongate LLP and that Liongate LLP will reimburse PGI, LLC for its expenses incurred in that regard. Liongate LLP utilizes certain PGI, LLC's personnel, resources, and services in fulfilling its contractual obligations to its clients. PGI, LLC's employees maintain portfolio accounting records and provide support for the marketing and client services activities of Liongate LLP. Liongate LLP and PGI, LLC have certain common officers. PGI, LLC is a member of the National Futures Association and registered as a commodity trading advisor with the Commodity Futures Trading Commission.

Liongate LLP is under common control with Principal Global Investors (Europe) Limited ("PGIE"). PGIE is an FCA regulated investment manager, managing both funds and segregated mandates across a broad range of investment strategies. Liongate LLP has arrangements with PGIE which provide that PGIE will furnish certain personnel used by

Liongate LLP and that Liongate LLP will reimburse PGIE for its expenses incurred in that regard.

Liongate LLP is under common control with Princor Financial Services Corporation ("Princor"), a retail investment adviser and a broker-dealer registered with the Securities and Exchange Commission and a FINRA member firm that markets a variety of proprietary and non-proprietary mutual funds, unit investment trusts and limited partnerships. Liongate LLP currently does not conduct any brokerage business with Princor.

Liongate LLP is under common control with Principal Funds Distributor, Inc. ("PFD"), a broker/dealer. PFD is the principal underwriter for an investment company, Principal Funds, Inc. Liongate LLP currently does not conduct any broker business with PFD.

Liongate LLP is under common control with Principal Financial Advisers, Inc., a registered investment adviser with the Securities and Exchange Commission.

Post Advisory Group, LLC ("Post"), an investment adviser registered with the Securities and Exchange Commission is under common control with Liongate LLP. Post, in general, offers services in managing client funds invested in high yield debt securities and distressed securities.

Columbus Circle Investors, ("Columbus Circle"), an investment adviser registered with the Securities and Exchange Commission is under common control with Liongate LLP. Columbus Circle in general offers services in managing client funds invested in equity securities.

Spectrum Asset Management, Inc. ("Spectrum"), a registered broker-dealer and an investment adviser registered with the Securities and Exchange Commission, is under common control with Liongate LLP. Spectrum in general offers services in managing client funds invested in preferred securities. Spectrum is also a member of the National Futures Association and registered with the Commodity Futures Trading Commission.

Edge Asset Management, Inc. ("Edge"), an investment adviser registered with the Securities and Exchange Commission, is under common control with Liongate LLP. Edge in general offers services in managing client funds invested in equity securities.

Morley Capital Management, Inc. ("Morley"), an investment adviser registered with the Securities and Exchange Commission, is under common control with Liongate LLP. Morley in general offers services in managing client funds invested in stable value.

Origin Asset Management, ("Origin"), an investment adviser registered with the Securities and Exchange Commission, is under common control with Liongate LLP. Origin in general offers services in managing client funds invested in global (ex U.S.) equity securities. On

occasion, Liongate LLP and its affiliates may share investment and compliance information with Origin.

Finisterre Capital LLP, ("Finisterre"), an investment adviser registered with the Securities and Exchange Commission, is under common control with Liongate LLP. Finisterre in general offers services in managing client funds invested in emerging market fixed income securities. On occasion, Liongate LLP and its affiliates may share investment and compliance information with Finisterre. Finisterre is a member of the National Futures Association and registered as a commodity trading advisor and a commodity pool operator with the Commodity Futures Trading Commission.

Principal Enterprise Capital, LLC. ("PEC"), an investment adviser registered with the Securities and Exchange Commission, is under common control with Liongate LLP. Principal Enterprise Capital, LLC is the manager for a single client, an entity that was created for the benefit of an unaffiliated third party and includes a trust for the benefit of affiliated employees of Principal Life Insurance Company. PEC identifies structures, creates and manages strategic investments of equity capital primarily in private real estate operating companies ("REOCs"). REOCs are entities that generally acquire, develop, redevelop and operate commercial real estate properties and are the entities in which investments are made.

Principal Real Estate Investors, LLC ("PrinREI") is an investment advisor registered with the Securities and Exchange Commission and is under common control with Liongate LLP. PrinREI offers portfolio management and investment advisory and sub-advisory services concerning primarily equity real estate and commercial mortgage investments to affiliated and non-affiliated persons. Liongate LLP and PrinREI have other common directors.

Principal Management Corporation ("Principal Management"), an investment adviser registered with the Securities and Exchange Commission, is under common control with Liongate LLP. Principal Management offers portfolio management, transfer agent and shareholder services to the family of mutual funds organized by PFG.

Liongate LLP is under common control with Principal Life Insurance Company. Principal Life is licensed as an insurance company in all 50 states and the District of Columbia.

Liongate LLP is under common control with Delaware Charter Guarantee & Trust Company ("Delaware Charter"), a company that acts as a trustee through which individuals may direct the investments of their IRA. Liongate LLP and Delaware Charter have common directors and officers.

Liongate Capital is under common control with Principal Asset Management Company (Asia) Limited ("PAMCA"), a Hong Kong asset management company. Liongate Capital and PAMCA have common directors and officers.

Liongate Capital is under common control with Principal Bank, an FDIC insured limited purpose trust saving bank. Liongate Capital and Principal Bank have common directors and officers.

Liongate LLP is a part of a diversified, global financial services organization with many types of affiliated financial services providers, including but not limited to broker-dealers, insurance companies and other investment advisers. Liongate LLP may enter into arrangements to provide services or otherwise enter into some form of business relationship with these foreign affiliates. Additional disclosure of these relationships will be provided upon request.

Liongate may enter into arrangements with underlying investment managers, such as side-letters on behalf of its clients. Where Liongate is unable to manage any conflicts that may arise out of such arrangements these will be disclosed to clients.

Conflict of Interest Policy

Liongate's Conflicts of Interest Policy requires it to manage conflicts of interest fairly, and ensure that clients are not adversely affected by any actual conflicts. Liongate has in place arrangements to identify and manage conflicts of interest that may arise between the company, or any person directly or indirectly linked to the firm by control, and our clients; or between two or more clients.

Conflicts of interest may arise in circumstances whereby Liongate:

- Is likely to make a financial gain, or avoid a financial loss, at the expense of a client;
- Has an interest distinct from a client's, in the outcome of a transaction undertaken on the client's behalf;
- Has a financial interest or other incentive in favouring one client over another;
- Carries on the same business as the client; or
- Receives a payment or other form of inducement from someone other than a client other than a contractually agreed commission or standard fee.

Liongate maintains and operates effective organisational and administrative arrangements with a view to prevent conflicts of interests arising; and to manage any existing conflicts of interest. Liongate takes reasonable steps to identify conflicts of interest and keeps appropriate records of potential and actual conflicts of interests and the steps taken to manage these. Liongate also discloses the general nature and sources of conflicts of interests to clients and where Liongate's arrangements are not sufficient to manage a particular conflict, the client will be informed of the nature of the conflict before any further services are undertaken for that client so that it may decide how to proceed.

Given the size and organisation of Liongate, the arrangements that we use to manage potential conflicts of interest include:

- Segregation of functions;
- Independent supervision;
- Removal of direct remuneration incentives;
- Avoiding inappropriate influence being brought to bear in the way clients are treated;
- Operation of dual controls; and
- Policies in relation to employees' personal interests in investments *i.e.*, our Personal Account Dealing Policy and also we maintain a Bribery and Gifts and Entertainment Policy to prevent our employees acting in conflict with a client's interests.

Liongate LLP, its affiliates and their respective holding companies, holding companies' shareholders, any subsidiaries of their holding companies and any of their directors, officers, employees, agents and affiliates ("Interested Parties") may be involved in other financial, investment or other professional activities which may on occasion cause conflicts of interest with Liongate. These include management of other funds, purchases and sales of securities, investment and management advisory services, brokerage services, and serving as directors, officers, advisers, or agents of other funds or other companies. In particular it is envisaged that Liongate LLP and its affiliates may be involved in advising other investment funds which may have similar or overlapping investment objectives to or with Liongate and its clients. Liongate LLP's clients and its affiliates may provide services to third parties similar to those provided to Liongate and shall not be liable to account for any profit earned from any such services. Where a conflict arises Liongate LLP and its clients will endeavour to ensure that it is resolved fairly. In relation to the allocation of investment opportunities to different investors, Liongate LLP and its clients may be faced with conflicts of interest with regard to such duties; however, they will ensure that investment opportunities in those circumstances will be allocated fairly.

Liongate LLP may acquire securities from or dispose of securities to any Interested Party or any investment fund or account advised or managed by any such person, but only with the prior approval of the Directors. Any Interested Party may hold Shares and deal with the same as it thinks fit. An Interested Party may buy, hold and deal in any investments for its own account notwithstanding that similar investments may be held by Liongate for the account of its clients.

An Interested Party may contract or enter into any financial or other transaction with any entity whose securities are held by or for the account of the clients, or shareholder of such entity; or be interested in any such contract or transaction. Furthermore, any Interested Party may receive commissions and benefits which it may negotiate in relation to any sale or

purchase of any investments of the clients' accounts affected by it for the account of the client and which may or may not be for the benefit of the client.

Certain of the Directors are also directors and/or officers of the Investment Manager and/or Investment Adviser and the fiduciary duties of the Directors may compete with or be different from the interests of the Investment Manager and/or Investment Adviser. Only the Directors may terminate the services of the Investment Manager and/or Investment Adviser and other agents of Liongate LLP.

The Directors and service providers may have conflicts of interest in relation to their duties to Liongate LLP. However, each shall, at all times, pay regard to its obligation to act in the best interests of Liongate LLP and the Directors will ensure that all such potential conflicts of interest are resolved fairly and in the interests of Shareholders.

Item 11 – Code of Ethics

Liongate has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct, and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumour mongering, restrictions on the acceptance of significant gifts and the reporting of gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at Liongate must acknowledge the terms of the Code of Ethics annually, or as amended.

The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of Liongate will not interfere with: (i) making decisions in the best interest of advisory clients; and (ii) implementing such decisions. Employee trading is continually monitored under the Code of Ethics, and to reasonably prevent conflicts of interest between Liongate and its clients.

Certain client accounts may trade in the same securities with other client accounts on an aggregated basis. In such circumstances, the accounts will share commission costs equally and receive securities at a total average price. Liongate will retain records of the trade order (specifying each participating account) and its allocation, which will be completed prior to the entry of the aggregated order. Completed orders will be allocated as specified in the initial trade order. Partially filled orders will be allocated on a pro rata basis. Any exceptions will be explained on the Order.

Liongate LLP's clients or prospective clients may request a copy of the firm's Code of Ethics by contacting the Compliance Chief Officer.

It is Liongate's policy that the firm will not affect any principal or agency cross securities transactions for client accounts. Liongate will also not cross trades between client accounts.

Item 12 – Brokerage Practices

Not applicable to Liongate LLP.

Item 13 – Review of Accounts

The portfolios are monitored closely as Liongate receives performance update estimates on at least a weekly (some funds daily) basis from our underlying managers. Furthermore, our research staff request and receive a completed template from each manager on a monthly basis which shows key exposures. The Analysts will speak directly to each manager at least once a month and the members of the Investment Team at least quarterly to discuss positioning and market conditions. After assimilating the information gathered from the manager, allocations to the underlying funds are assessed to maximize absolute return and to minimize total risk. Managers which diverge fundamentally from their expected risk-reward parameters are removed from the portfolio.

Liongate manages its portfolio actively, reallocating towards those strategies which are expected to perform well within the current macro environment. Liongate has developed performance monitoring tools that alert the Investment Team if an underlying fund's risks deviate from the expected measures, and recommend portfolio re-balancing action that would bring the portfolio's risk/return profile in line with the current top-down view. We also maintain extensive transparency requirements from all of our managers, enabling us to understand our portfolio exposures in aggregate. This allows us to identify any build-up of risk in specific areas of the portfolio and to make appropriate adjustments. We have strict diversification requirements, for example, maximum allocations to any underlying hedge fund manager within our portfolio. Should a manager have strong performance and organically grow to a larger weighting than our limit for that particular portfolio, we would re-balance the allocation at the next available date.

The decision of whether to invest with or to terminate any existing fund from a portfolio is made with the consensus of the Investment Team. All quantitative and qualitative research and analysis is presented to the Investment Team on a monthly basis, and the Team holds weekly research meetings to discuss financial markets, our underlying hedge fund managers and their performance.

Item 14 – Client Referrals and Other Compensation

Liongate engages various third party entities to distribute the funds, including entities within PGI who may be compensated for client referrals.

Item 15 – Custody

Not Applicable.

Item 16 – Investment Discretion

Liongate LLP does not have discretionary authority from its clients to manage the investment of the underlying funds.

Item 17 – Voting Client Securities

As a matter of firm policy and practice, Liongate LLP does not have any authority to and does not vote proxies on behalf of clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios. Liongate LLP may provide advice to clients regarding the clients' voting of proxies.

Item 18 – Financial Information

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about Liongate LLP's financial condition. Liongate LLP has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.

Item 19 – Requirements for State-Registered Advisers

Not Applicable.