



Item 1 – Cover Page

Part 2A of Form ADV Firm Brochure

Falcon Edge Capital, LP

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This brochure provides information about the qualifications and business practices of Falcon Edge Capital, LP and its relying adviser, Falcon Edge Capital, LLP (collectively, “Falcon Edge”, “we” or “us”). If you have any questions about the contents of this brochure, please contact us at: (212) 803-9080. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Registration as an investment adviser does not imply any level of skill or training.

Additional information about Falcon Edge also is available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

This Brochure is Falcon Edge's updating amendment to the previous Brochure filed on March 30, 2018. This Brochure has been revised to reflect updates to Item 11.

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Item 4 – Advisory Business

Our Firm

Falcon Edge Capital, LP was organized in July 2011 under the laws of Delaware and has its principal place of business in New York City. Falcon Edge is primarily owned directly or indirectly by Mr. Richard Gerson and Mr. Navroz Udwadia.

Falcon Edge Capital, LLP, one of our relying advisors, was organized in August 2011 under the laws of England and Wales and is authorized and regulated by the Financial Conduct Authority of the United Kingdom.

Further information on Falcon Edge Capital, LLP can be found in this document under Item 10 – Other Financial Industry Activities and Affiliations.

Although organized as separate legal entities, Falcon Edge Capital, LP and Falcon Edge Capital, LLP conduct a single advisory business because, among other things, the Falcon Edge entities: (i) are subject to a unified compliance program; (ii) advise only private funds maintained on behalf of qualified clients; (iii) use the same or similar names; and (iv) hold themselves out to current and prospective investors as conducting a single advisory business because they, for example share personnel and resources.

As of December 31, 2017, Falcon Edge managed approximately \$1,319,901,799 of client assets on a discretionary basis and \$15,529,847 of client assets on a non-discretionary basis. This amount reflects generally the aggregate net asset values of the Clients (as defined below) as of such date and does not include the net asset value of any Client launched after that date. The computation of this amount differs from the computation of “regulatory assets under management” required by Item 5.F in Part 1A of Form ADV.

Advisory Services

Falcon Edge provides investment management services to the following private pooled investment vehicles:

- (1) *The Global Funds*: (i) Falcon Edge Global, LP, a Delaware limited partnership (the “Global Domestic Feeder Fund”), (ii) Falcon Edge Global, Ltd, a Cayman Islands exempted company (the “Global Offshore Feeder Fund”), (iii) Falcon Edge Global Intermediate Fund, LP, a Cayman Islands exempted limited partnership (the “Global Intermediate Fund”), and (iv) Falcon Edge Global Master Fund, LP, a Cayman Islands exempted limited partnership (the “Global Master Fund”, collectively with the Global Domestic Feeder Fund, the Global Offshore Feeder Fund and the Global Intermediate Fund, the “Global Funds”).

The Global Offshore Feeder Fund invests substantially all of its assets in the Global Intermediate Fund. The Global Intermediate Fund and the Global Domestic Feeder Fund generally invest substantially all of their assets in the Global Master Fund, but each feeder fund also makes investments directly.

(2) *The Special Opportunities Fund*: Falcon Special Opportunities, LP, a Cayman Islands exempted limited partnership (the “Special Opportunities Fund”).

(3) *The Moraine Funds*: (i) Moraine Fund, Ltd, a Cayman Islands exempted company (the “Moraine Feeder Fund”), and (ii) Moraine Master Fund, LP, a Cayman Islands exempted limited partnership (the “Moraine Master Fund”, collectively with the Moraine Feeder Fund, the “Moraine Funds”).

The Moraine Feeder Fund will invest all of its investable assets in the Moraine Master Fund.

(4) *Digital Base*: Digital Base, LP, a Delaware limited partnership (“Digital Base”).

The Moraine Feeder Fund will invest all of its investable assets in the Moraine Master Fund.

(5) Certain other special purpose, co-investment or similar investment vehicles (see Section 7.B. of Schedule D in Falcon Edge Form ADV Part 1 for more information).

The funds referenced above are collectively referred to as the “Funds”.

In addition to the Funds, Falcon Edge provides discretionary sub-advisory services to several private pooled investment vehicles and provides non-discretionary sub-advisory services to a public limited liability investment company under registration authorized by the Central Bank of Ireland (the “Sub-Advised Funds”), each of which are sponsored by unaffiliated, SEC registered investment advisers (“Sub-Fund Advisers”). Falcon Edge may provide the Sub-Advised Funds with the opportunity to co-invest in certain investments where it determines there is excess capacity (after the Funds have received their desired allocation) or where an investment idea is not suitable for the Funds but may be suitable for a Sub-Advised Fund. Each co-investment opportunity must be approved by the applicable Sub-Advised Fund or Sub-Fund Adviser before Falcon Edge may make such an investment on behalf of such Sub-Advised Fund (each approved co-investment opportunity, an “Approved Investment”). For the discretionary Sub-Advised Funds, Falcon Edge has full investment and trading authority over Approved Investments, but it does not have discretion over any of the Sub-Advised Fund’s other assets. Falcon Edge has no investment or trading discretion over the non-discretionary Sub-Advised Fund.

Falcon Edge also provides discretionary investment management services to the owner of a separately managed account (the “SMA”, together with the Funds and the Sub-Advised Funds, the “Clients”).

With respect to each Client, Falcon Edge manages assets in accordance with the investment objectives and restrictions set forth in the governing documents applicable to such Client. The individual needs of the investors within a Client are not the basis of investment decisions. Investment advice is provided directly to the Funds and not individually to the Funds’ investors.

The shares or limited partnership interests of the Funds are not registered under the Securities Act of 1933, as amended (the “Securities Act”), and the Funds are not registered under the Investment Company Act of 1940, as amended (the “Investment Company Act”). Accordingly,

interests or shares in the Funds are offered and sold exclusively to investors satisfying applicable eligibility and suitability requirements, either in private transactions within the United States, in offshore transactions and/or in other transactions exempt from the registration requirements of the Securities Act.

Please see “Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss” for a description of the Clients’ investment strategies and their related risks.

This Brochure generally includes information about Falcon Edge and its relationships with the Funds and affiliates. While much of this Brochure applies to all such Clients and affiliates, certain information included herein applies to specific Clients or affiliates only.

Item 5 – Fees and Compensation

Detailed below is a brief summary of certain fees and expenses paid by the Funds. Investors and prospective investors are advised to review a relevant Fund’s offering materials and other constituent documents for a more comprehensive discussion of fees and expenses.

Advisory Fees and Compensation

Global Funds

Affiliates of Falcon Edge are entitled to receive a quarterly asset-based fee (the “Global Management Fee”) ranging between 1.5% to 2% per annum (depending on the class of shares or interests in the Global Funds). The Global Management Fee is generally based on the Global Funds’ net asset value, however, it may be partially based on the lower of cost basis or fair value for any “Special Investments” (as defined in the Global Funds’ offering documents).

In addition, an affiliate of Falcon Edge that serves as the general partner of the Global Domestic Feeder Fund and the Global Intermediate Fund receives an annual incentive allocation (the “Global Incentive Allocation”). The Global Incentive Allocation is an amount ranging from 10%-20% (subject to certain conditions) of the realized and unrealized net capital appreciation in the Global Domestic Feeder Fund and the Global Intermediate Fund, subject to a modified high-water mark mechanism. Net capital appreciation attributable to Special Investments is generally not included in calculating the Global Incentive Allocation until a Special Investment is realized or deemed realized.

Special Opportunities Fund

An affiliate of Falcon Edge is entitled to receive a quarterly asset-based fee (the “Special Opportunities Management Fee”). During the investment period, the Special Opportunities Management Fee will be equal to 1.5% per annum of each limited partner’s capital commitment. Thereafter, the Special Opportunities Management Fee will be equal to 1.5% per annum of each limited partner’s aggregate capital contributions that were used to fund investments (and investment-related expenses) that have not been disposed of.

In addition, an affiliate of Falcon Edge that serves as the general partner of the Special Opportunities Fund is generally entitled to receive 20% of the profits from the Special Opportunities Fund after satisfaction of a preferred return pursuant to a distribution waterfall described in the offering documents of the Special Opportunities Fund (the “Special Opportunities Carried Interest”). The Special Opportunities Carried Interest is also subject to a clawback provision.

Other Clients

Other Funds, Sub-Advised Funds and the SMA managed by Falcon Edge, including the Moraine Funds, Digital Base and any special purpose, co-investment or similar investment vehicles, are subject to different advisory fee and incentive compensation arrangements as set forth in such entities’ or accounts’ governing documents.

General

In the sole discretion of Falcon Edge (or its affiliate), the management fees, incentive allocations and carried interest arrangements described above may be waived, reduced or calculated differently with respect to certain shares or interests in a particular Client. Investors that are members, shareholders, partners, officers, employees and affiliates of Falcon Edge, members of the immediate families of such persons and trusts or other entities established by them or for their benefit are not subject to management fees, incentive allocations or carried interest.

Additional Fees and Expenses

In addition to the advisory fees and compensation described above, Clients also bear their own expenses as more fully described in each Client's offering documents.

These expenses may include, without limitation, some or all of the following: investment expenses (*e.g.*, expenses that, in Falcon Edge's discretion, are related to the investment of a Client's assets, whether or not such investments are consummated, such as brokerage commissions, expenses relating to short sales, clearing and settlement charges, custodial fees, expenses relating to treasury and collateral management (including the cost of software packages), bank service fees, interest expenses, fees related to financings or refinancings, and fees and expenses of proxy research and voting services); professional fees (including expenses of consultants, investment bankers, attorneys, accountants and other experts) relating to investments; research expenses (including compensation to unaffiliated third parties that generate trade ideas, which may be payable based on the profits attributable to such trade irrespective of the performance of a Client as a whole); administrative expenses (including fees and expenses of a Client's administrator); external legal expenses; external accounting and valuation expenses (including the cost of accounting software packages and the cost of valuing investments); audit and tax preparation expenses; costs related to errors and omissions insurance for Falcon Edge and certain of its affiliates; insurance and fees of the board of directors; costs of printing and mailing reports and notices; entity-level taxes; corporate licensing; regulatory expenses (including filing fees); organizational expenses; expenses incurred in connection with the offering and sale of the interests and shares, and other similar expenses related to a Client; indemnification expenses; and extraordinary expenses.

In addition, to the extent a Client invests in money market mutual funds, exchange-traded funds, registered investment companies or other private funds managed by third party investment managers, the relevant Client will indirectly bear its *pro rata* share of such funds' operating and other expenses including, any management or performance fees of the underlying fund.

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

Falcon Edge accepts performance-based compensation from certain Clients. As described in Item 5, the percentage amounts upon which such compensation is calculated, the timing of the calculation of such compensation, the use of unrealized gains in such calculation and the use of preferred returns/hurdles, differ among Clients. As a result, Falcon Edge may have an incentive to allocate limited investment opportunities to the Clients from whom the greatest performance-based compensation may be earned. In addition, any performance-based compensation received from a Client may create an incentive for Falcon Edge to make investments for such Client that are riskier or more speculative than would be the case in the absence of such performance-based compensation. For certain Clients, the performance-based compensation is based on both realized and unrealized gains in such Client and, accordingly, Falcon Edge or an affiliate may receive performance-based compensation reflecting unrealized gains at the end of a period that are not subsequently realized.

Falcon Edge and its affiliates currently advise and manage the investments of multiple Clients and expect that they will in the future advise and manage the investments of additional clients. The respective investment programs of a Client and such additional clients may or may not overlap.

Item 7 – Types of Clients

Falcon Edge provides discretionary and non-discretionary investment management services to the Funds, the Sub-Advised Funds and the SMA as described above. Falcon Edge may in the future provide investment advice to other private pooled investment vehicles, separately managed accounts and other public or private vehicles.

The offering documents of each Client sets forth the eligibility requirements and minimum subscription amounts for investors in such Client, which will vary by class. The minimum subscription amount may be, and often is, waived by Falcon Edge for certain investors, including for subscriptions by members, shareholders, partners, officers, employees and affiliates of Falcon Edge, members of the immediate families of such persons and trusts or other entities established by them or for their benefit.

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

The descriptions set forth in this Brochure of specific advisory services that Falcon Edge offers to Clients and investment strategies pursued and investments made by Falcon Edge on behalf of the Clients should not be understood to limit in any way Falcon Edge's investment activities. Falcon Edge may offer any advisory services, engage in any investment strategy and make any investment, including any not described in this Brochure, that Falcon Edge considers appropriate, subject to each Client's investment objectives and guidelines. The investment strategies of Falcon Edge are speculative and entail substantial risks. Investors should be prepared to bear a substantial loss of capital. There can be no assurance that the investment objectives of any Client will be achieved.

Methods of Analysis and Investment Strategies

Global Funds

As is explained more fully in the Global Funds' offering documents, Falcon Edge's investment strategy for the Global Funds is to generate superior and sustainable risk-adjusted absolute returns for investors, while focusing on risk management. For the Global Funds, Falcon Edge seeks to identify and exploit asymmetric risk-reward opportunities across global markets that generate alpha on both the long and short sides through a core focus on fundamental research.

While a rigorous, fundamental equity long-short approach is integral to the investment strategy, Falcon Edge seeks to maintain the flexibility to invest across geographies, asset classes and instruments and to employ various strategies. Falcon Edge also seeks to minimize correlation with one or a related set of market outcomes through a diversified portfolio of long and short investments, position hedges and where appropriate, portfolio overlays.

Falcon Edge selects a variety of investments for the Global Funds, including but not limited to, equity and equity-related securities that are traded publicly and privately in U.S. and non-U.S. markets, preferred stocks, convertible securities, warrants, rights, options (including covered and uncovered puts and calls and over-the-counter options), swaps and other derivative instruments, bonds and other fixed income securities, non-U.S. currencies, futures, options on futures, other currency and commodity interests, money market instruments and any other instruments deemed appropriate by Falcon Edge, in order to seek to both maximize returns and minimize risk. The Global Funds also engage in short-selling, margin trading, hedging and other investment strategies.

From time to time, Falcon Edge will acquire assets or securities for the Global Funds that Falcon Edge believes lack a readily assessable market value (or have a limited market) or should be held until the resolution of a special event or circumstance where such ownership represents an unusually compelling risk-reward opportunity capable of generating significant and potentially non-correlated returns for investors. Such assets or securities (together with related hedges, financings or similar investments) may be designated as special investments at the time of acquisition (each, a "Special Investment"). Investors may elect whether to participate in Special Investments at the time of investment in the Global Funds.

Special Opportunities Fund

As is explained more fully in the Special Opportunities Fund's offering documents, Falcon Edge's investment strategy for the Special Opportunities Fund is to generate superior and sustainable risk-adjusted absolute returns for investors by identifying and exploiting asymmetric risk-reward opportunities across global markets.

The Special Opportunities Fund is expected to pursue global opportunistic investing across asset classes, capital structures and geographies with a primary, although not exclusive, focus in private equity investments. While Falcon Edge anticipates that a majority of the portfolio will be in private equity investments, the Special Opportunities Fund may also pursue investments in public equities, debt instruments or other asset classes on an opportunistic basis.

Falcon Edge intends to follow an investment process that seeks to identify opportunities that Falcon Edge believes incorporate some or all of the following characteristics: (i) a significant market opportunity in terms of a sustainable runway for growth; (ii) a proven business/monetization model that has the ability to compound at high or rising ROICs; (iii) a market leader that is protected by secure and widening competitive moats; (iv) a management team focused on execution and possessing the highest standards of integrity; (v) a country and sector that is well known to Falcon Edge as a result of adjacent public market work; and (vi) a reasonable entry valuation that provides an asymmetric risk-reward and potentially, in some cases, downside protection.

Other Clients

Falcon Edge currently manages other Clients, including the Moraine Funds, Digital Base, the Sub-Advised Funds and the SMA. These other Clients may be organized as single-investor, special purpose, co-investment or similar investment vehicles. The investment strategies of such Clients may be highly specific, including Clients that will only acquire a single asset (or group of related assets). Each such Client's specific investment strategies are set forth in such Client's governing documents.

Other Funds, Sub-Advised Funds and the SMA managed by Falcon Edge, including the Moraine Funds, Digital Base

Risks of Loss

The following risk factors do not purport to be a complete list or explanation of the risks involved in an investment in the Clients advised by Falcon Edge. Investors should consult the offering memorandum or other governing document for the relevant Client for more details on the risks associated with an investment in such Client.

As a general matter, investing in securities involves a risk of loss that investors should be prepared to bear. No guarantee or representation is made that the investment strategies offered by Falcon Edge will be successful. An investment in a Client should not in itself be considered a balanced investment program and should only be made after consultation with independent qualified sources of investment and tax advice. Investors in a Client should be able to withstand the loss of their entire investment.

As explained more fully in each Client's offering documents, the specialized investment program of each Client involves a substantial degree of risk. Subject to each Client's stated investment objective, examples of such risks include, but are not limited to:

General Risks

- *General Economic and Market Conditions.* The success of a Client's investment activities will be affected by general economic and market conditions, such as interest rates, availability of credit, credit defaults, inflation rates, economic uncertainty, changes in laws (including laws relating to taxation of investments), trade barriers, currency exchange controls, and national and international political circumstances (including wars, terrorist acts or security operations).
- *Limited Operating History.* Falcon Edge has a limited operating history upon which prospective investors can evaluate the anticipated performance of any investment strategy.
- *No Material Limitation on Strategies.* A Client may be permitted to opportunistically implement whatever strategies or discretionary approaches Falcon Edge believes from time to time may be best suited to prevailing market conditions.
- *Competition; Availability of Investment Strategies.* The success of a Client's investment activities will depend on Falcon Edge's ability to identify investment opportunities as well as to assess the import of news and events that may affect the financial markets.
- *Misconduct of Employees and of Third-Party Service Providers.* Misconduct by employees or by third-party service providers could cause significant losses to a Client or disruption to Falcon Edge's business.
- *Systemic Risk.* Credit risk may arise through a default by one of several large institutions that are dependent on one another to meet their liquidity or operational needs, so that a default by one institution causes a series of defaults by the other institutions.
- *Cybersecurity Risk.* As part of its business, Falcon Edge processes, stores and transmits large amounts of electronic information, including information relating to the transactions of the Clients and personally identifiable information of investors. Breach of the information systems may cause information relating to the transactions of a Client and personally identifiable information of the investors to be lost or improperly accessed, used or disclosed. The service providers of Falcon Edge and the Clients are subject to the same electronic information security threats as Falcon Edge.

Risks Relating to a Client's Terms, Structure and Operations

- *Limited Liquidity.* An investment in a Client provides limited liquidity since the shares/interests are not freely transferable and, generally, investors have limited redemption rights pursuant to the terms of the Client's offering or governing documents.
- *Possibility of Different Information Rights.* Certain investors may invest on different terms that, among other things, provide access to information that may not be available to other investors and, as a result, may be able to act on such additional information (*i.e.*, redeem) that other investors do not receive.
- *Different Terms of Investors.* The Clients, Falcon Edge and their affiliates have entered, and may from time to time in the future enter, into letter agreements or other similar agreements with one or more investors, that provide such investor(s) with additional and/or different rights (including, without limitation, with respect to the fees, redemption rights, minimum and additional subscription amounts, informational rights, capacity rights and other rights) than the other investors. Falcon Edge has entered into side letters with certain investors, however, as of the date hereof no side letters provide investors with preferential liquidity, fees, incentive allocations, performance reporting or portfolio-level transparency.
- *Selection of Brokers.* Falcon Edge may be subject to conflicts of interest relating to its selection of brokers on behalf of the Clients.
- *Counterparty Risk.* Generally, the Clients will not be restricted from dealing with any particular counterparties. Falcon Edge's evaluation of the creditworthiness of its counterparties may not prove sufficient.
- *Counterparty Default.* If one or more of a Client's counterparties were to become insolvent or the subject of insolvency proceedings, there exists the risk that the recovery of such Client's securities and other assets from such prime broker or broker-dealer will be delayed or be of a value less than the value of the securities or assets originally entrusted to such prime broker or broker-dealer.
- *Lending of Portfolio Securities.* A Client may lend securities on a collateralized and an uncollateralized basis, from its portfolio to creditworthy securities firms and financial institutions.
- *Leverage; Borrowing for Operations.* A Client may use leverage as part of its investment program. The effect of the use of leverage by a Client in a market that moves adversely to its investments could result in substantial losses to such Client, which would be greater than if such Client were not leveraged.

- *Market Value Borrowings and Derivatives; Financing Arrangements; Availability of Credit.* In general, the anticipated use of margin borrowings and other borrowings based on the market value of the portfolio and derivatives which require a Client to post margin results add certain additional risks to such Client.

Risks Related to a Client's Investment Strategies

- *Discretion of Falcon Edge; New Strategies and Techniques.* Falcon Edge has considerable discretion in the types of securities which a Client may trade and may have the right to modify the trading strategies or hedging techniques of a Client.
- *Limited Diversification.* A Client's portfolio may be significantly concentrated in one issuer, industry, sector, strategy and country. In addition, Falcon Edge may select investments that are concentrated in a limited number or types of financial instruments.
- *Volatility Risk.* A Client's investment program may involve the purchase and sale of relatively volatile securities, including derivatives. Fluctuations or prolonged changes in the volatility of such securities, therefore, can adversely affect the value of investments held by a Client.
- *Liquidity Risks Generally.* Under certain market conditions, such as during volatile markets or when trading in a security or market is otherwise impaired, the liquidity of a Client's portfolio positions may be reduced. In addition, a Client may from time to time hold large positions with respect to a specific issuer or type of financial instrument, which may reduce such Client's liquidity in such position.
- *Uncertain Exit Strategies.* Due to the less liquid nature of certain of the positions which a Client may acquire, Falcon Edge may be unable to predict with confidence what the exit strategy will ultimately be for any of such given positions, or that one will definitely be available.
- *Long-Term Investments and/or Short-Term Market Considerations.* A Client may pursue investment opportunities that seek to maximize asset value or create market opportunities on a long-term basis. In pursuing such long-term strategies, such Client may forego value in the short term or temporary investments. Alternatively, Falcon Edge's trading decisions may be made on the basis of short-term market considerations, and the portfolio turnover rate could result in significant trading related expenses.
- *Short Selling.* A short sale creates the risk of a theoretically unlimited loss, in that the price of the underlying security could theoretically increase without limit, thus increasing the cost to a Client of buying those securities to cover the short position. There can be no assurance that a Client will be able to maintain the ability to borrow securities it has sold short.

- *Hedging Transactions.* The Clients will not be required to hedge any particular risk in connection with a particular transaction or its portfolios generally. While a Client may enter into hedging transactions to seek to reduce risk, such transactions may result in a poorer overall performance for such Client than if it had not engaged in any such hedging transaction. Moreover, it should be noted that the portfolio will always be exposed to certain risks that may not be hedged.
- *Non-U.S. and Emerging Market Investments.* A Client may invest all or a significant portion of its assets in securities of non-U.S. companies, including emerging market companies, which involves additional risks and special considerations not typically associated with investing in other more established economies or markets.
- *Exchange Rate Fluctuations; Currency Risks.* A Client may invest in financial instruments denominated in non-U.S. currencies, the prices of which are determined with reference to currencies other than the U.S. Dollar. To the extent unhedged, the value of a Client's positions denominated in currencies other than U.S. Dollars will fluctuate with U.S. Dollar exchange rates as well as with the price changes of the investments in the various local markets and currencies.
- *Co-Investments with Third Parties.* A Client may co-invest with third parties through joint ventures or other entities.

Risks Related to Certain Types of Investments and Financial Instruments

- *Illiquid Securities.* Certain securities a Client acquires may be illiquid because, for example, they are subject to legal or other restrictions on transfer or there is no liquid market for such securities. A Client may not be able to readily dispose of such illiquid investments and, in some cases, may be contractually prohibited from disposing of such investments for a specified period of time.
- *Equity Securities Generally.* A Client's investment portfolios may include long and short positions in equity securities of public and private, listed and unlisted companies. Equity securities fluctuate in value in response to many factors, including, among others, the activities and financial condition of individual companies, geographic markets, industry market conditions, interest rates and general economic environments.
- *Micro, Small and Medium Capitalization Companies.* Investments in securities of micro and smaller-capitalization companies involve higher risks in some respects than do investments in securities of larger "blue-chip" companies.
- *Preferred Stock.* Investments in preferred stock involve risks related to preferred stocks priority in the event of bankruptcy, insolvency or liquidation of the issuing company and how dividends are declared.

- *Convertible/Exchangeable Securities.* If a convertible security held by a Client is called for redemption, such Client will be required to permit the issuer to redeem the security, convert it into the underlying common stock or sell it to a third party.
- *Investments in Initial Public Offerings.* Investments in initial public offerings (or shortly thereafter) may involve higher risks than investments issued in secondary public offerings or purchases on a secondary market due to a variety of factors, including, without limitation, the limited number of shares available for trading, unseasoned trading, lack of investor knowledge of the issuer and limited operating history of the issuer.
- *Unlisted Securities.* A Client may acquire unlisted securities, including equity stakes in privately held companies. Because of the absence of any trading market for unlisted securities, it may take longer to liquidate, or it may not be possible to liquidate, positions in unlisted securities than would be the case for publicly traded securities.
- *Risk of Early Stage Companies.* Investments in the equity of companies at an early stage of development involves a high degree of business and financial risk.
- *Restricted Securities.* Restricted securities cannot be sold to the public without registration under the U.S. Securities Act of 1933, as amended. Unless registered for sale, restricted securities can be sold only in privately negotiated transactions or pursuant to an exemption from registration (e.g., under Rule 144A of the Securities Act).
- *Other Private Funds.* A Client may invest in money market mutual funds, exchange-traded funds, registered investment companies or other private funds managed by third party investment managers. To this extent, a Client will indirectly bear its *pro rata* share of such funds' operating and other expenses including, any management or performance fees of the underlying fund.
- *Debt Securities Generally.* A Client may invest in rated or unrated debt instruments that may have speculative characteristics. A Client may invest in bonds or other fixed income securities, including without limitation "higher yielding" (including non-investment grade) debt securities. Such instruments are regarded as predominantly speculative with respect to the issuer's capacity to pay interest and repay principal in accordance with the terms of the obligations and involve major risk exposure to adverse conditions.
- *Derivative Instruments Generally.* A Client may acquire exposure to the risk of various kinds of securities through derivative products. Certain swaps, options and other derivative instruments may be subject to various types of risks, including market risk, liquidity risk, the risk of non-performance by the counterparty (including risks relating to the financial soundness and creditworthiness of the counterparty), legal risk and operations risk. Derivative instruments may be highly illiquid and may increase or decrease the volatility of a Client's portfolio.

- *Currencies and Currency-Related Instruments.* A principal risk in trading currencies is the rapid fluctuation in the market prices of currency contracts. Prices of currency contracts traded by a Client are affected generally by relative interest rates, which in turn are influenced by a wide variety of complex and difficult to predict factors such as money supply and demand, balance of payments, inflation levels, fiscal policy, and political and economic events.
- *Commodity-Related Instruments.* Commodity-related instruments may be cyclical in nature. Commodity-related instruments may be subject to broad price fluctuations, reflecting volatility of energy and basic material prices and possible instability of supply of various commodities.
- *Futures Contracts.* The prices of futures are highly volatile, and price movements of futures contracts can be influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies.
- *Forward Trading.* Forward contracts and options thereon, unlike futures contracts, are not traded on exchanges and are not standardized; rather, banks and dealers act as principals in these markets, negotiating each transaction on an individual basis. Disruptions can occur in forward markets due to unusually high trading volume, political intervention or other factors.
- *Cryptocurrencies and Digital Assets.* A Client may invest in cryptocurrencies (or similar digital assets that utilize blockchain technology). Cryptocurrencies are an evolving product and technology and an investment therein is subject to a variety of additional risks including, without limitation, technological, security and regulatory risks as well as associated uncertainties over their future existence, support and development. It is possible that any jurisdiction may, in the near or distant future, adopt laws, regulations, policies or rules directly or indirectly affecting a cryptocurrency network, generally, or restricting the right to acquire, own, hold, sell, convert, trade, use or exchange cryptocurrencies.
- *Repurchase and Reverse Repurchase Agreements.* If the seller of a repurchase and reverse repurchase agreements becomes insolvent a Client's ability to dispose of the underlying securities may be restricted. If a seller defaults on its obligation to repurchase securities under a reverse repurchase agreement, a Client may suffer a loss to the extent that it is forced to liquidate its position in the market, and proceeds from the sale of the underlying securities are less than the repurchase price agreed to by the defaulting seller.
- *Stressed and Distressed Obligations.* A Client may invest in obligations of issuers in weak financial condition, experiencing poor operating results, having substantial capital

needs or negative net worth, facing special competitive or product obsolescence problems, including companies involved in bankruptcy or other reorganization and liquidation proceedings.

The risks described above are not a complete list of all risks associated with the described investment strategies. In addition, as a Client's investment program develops and changes over time, an investment in such Client may be subject to additional and different risk factors.

Investors should refer to a Client's offering or governing documents for a more complete description of the risks involved in investing in such Client.

Item 9 – Disciplinary Information

Falcon Edge and its management personnel have not been involved in any legal or disciplinary events that are material to an investor's evaluation of Falcon Edge's investment advisory business or the integrity of Falcon Edge's management personnel.

Item 10 – Other Financial Industry Activities and Affiliations

Falcon Edge Capital, LLP, our relying adviser, provides investment recommendations to the Falcon Edge Capital, LP and is authorized and regulated by the Financial Conduct Authority of the United Kingdom. Falcon Edge Investments Limited, Mr. Navroz Udwadia and Mr. Scott Carpenter are the designated members of Falcon Edge Capital, LLP.

Certain of our Clients are U.S. or Cayman Islands limited partnerships that are controlled by their general partner, which are special purpose vehicles affiliated with Falcon Edge (the “General Partners”). The Clients or the General Partners have delegated discretion over the management of the Clients’ investment activities to Falcon Edge Management Company, LP, which is a special purpose vehicle affiliated with Falcon Edge (the “Manager”). The Manager in turn has delegated its discretion to Falcon Edge. Any persons acting on behalf of a General Partner or the Manager are subject to the supervision and control of Falcon Edge.

Falcon Edge and certain of its affiliates have filed exemptions with the CFTC as exempt commodity trading advisors and exempt commodity pool operators.

Falcon Edge and its personnel will devote as much of their time to the activities of the Clients as they deem necessary and appropriate. Falcon Edge and its affiliates are not restricted from forming additional investment funds, from entering into other investment advisory relationships or from engaging in other business activities, even though such activities may be in competition with the Clients and/or may involve substantial time and resources of Falcon Edge. These activities could be viewed as creating a conflict of interest in that the time and effort of Falcon Edge and its personnel will not be devoted exclusively to the business of the Clients but will be allocated between the business of the Clients and the management of the monies of other advisees of Falcon Edge and its personnel.

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

Code of Ethics and Personal Trading

Falcon Edge has adopted a Code of Ethics (the “Code of Ethics”) pursuant to Rule 204A-1 under the Advisers Act. Rule 204A-1 requires us to establish, maintain and enforce a written code of ethics that (i) sets the standard of business conduct that we require of our employees, (ii) requires personnel to comply with applicable federal securities laws, and (iii) contains provisions regulating personal securities transactions by personnel.

The Code of Ethics requires all Falcon Edge personnel to maintain the following standards of behavior:

- *Compliance with Laws.* Employees must comply with all applicable laws and regulations of the countries in which Falcon Edge conducts business.
- *Insider Trading and Market Abuse.* Falcon Edge policy and federal and state securities laws forbid all employees, either personally or on the behalf of others, from buying or selling securities on the basis of material nonpublic information about that security or issuer (or “tipping” such information to another who trades), in breach of a duty of trust or confidence. Employees are also prohibited from engaging in market abuse, which generally refers to activities that are intended to create a false or misleading impression in order to affect the price or market for a given security.
- *Acting in the Best Interests of the Clients.* Employees have a duty to act in the best interests of Falcon Edge’s clients at all times and under any circumstances. This duty generally requires that the interests of clients be placed above the interests of Falcon Edge and its employees whenever there is conflict between the two.
- *Duty to Disclose Material Conflicts.* Any conflict of interest between the interests of a client and the interests of Falcon Edge should be reported to the Chief Compliance Officer.
- *Duty to Disclose Material Facts.* Falcon Edge has a duty to disclose any event that is material to a client’s evaluation of Falcon Edge’s integrity and any material facts with respect to Falcon Edge’s financial condition that are reasonably likely to impair its ability to meet its contractual commitments to clients.
- *Dealing with Government or Regulatory Authorities.* It is expected and required that all employees fulfill their obligations to governmental and regulatory bodies. Nothing in the Code of Ethics or any other Falcon Edge policy prevents an employee from (i) sharing any information (except information protected by attorney-client or work product privilege) with regulators or appropriate governmental agencies, including but not limited

to governing taxing authorities, whether in response to a subpoena or otherwise, without notice to Falcon Edge, or (ii) providing non-privileged information in response to any other lawful subpoena or legal process.

Falcon Edge's personnel are required to certify to their compliance with the Code of Ethics upon the commencement of their employment and at least annually thereafter. All Falcon Edge personnel are also required to comply with applicable securities laws, and to report any violation or suspected violation of the Code of Ethics to the Chief Compliance Officer.

The Code of Ethics also governs personal trading activities by personnel and their immediate family members living in the same household. The Code of Ethics requires Falcon Edge personnel to report all personal trades on at least a quarterly basis and to provide initial and annual holdings reports to the Chief Compliance Officer or his designee. Personnel are permitted to invest in certain securities, such as ETFs, pooled investment vehicles and private companies, subject to pre-clearance by the Chief Compliance Officer. Consistent with the foregoing policies, personnel of Falcon Edge have and may in the future purchase or sell securities or other instruments that are also recommended to, or purchased and sold for, Clients. For clarification, the preapproval requirement and certain prohibitions generally do not apply to (i) trading in certain non-"covered securities" (e.g., open-end mutual funds, U.S. treasuries), and (ii) trading in personal accounts over which neither the employee nor any of his or her immediate family members in the same household has direct or indirect influence or control. The Chief Compliance Officer monitors Falcon Edge personnel's personal trading activity to ensure that transactions have been executed in accordance with the Code of Ethics and relevant rules and regulations and will evaluate any potential conflicts of interest prior to pre-clearing any personal investments.

In addition to restrictions on personal trading, Falcon Edge also maintains policies and procedures that address and place limits on the giving and receiving of gifts and entertainment, the making of political contributions, service on outside boards of directors and other outside business activities that could give rise to potential conflicts of interest.

Finally, Falcon Edge also maintains insider trading policies and procedures that are designed to prevent the misuse of material, non-public information.

A copy of Falcon Edge's Code of Ethics is available to Clients, investors, and prospective Clients and investors upon request.

Participation or Interest in Client Transactions

Falcon Edge's Code of Ethics generally prohibits employees from investing in single-name, publicly traded stocks or bonds. Exceptions to this prohibition require pre-clearance by Falcon Edge. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same (or related) securities as those recommend for the Funds, including private securities, there is a possibility that employees might benefit from market activity by a Fund in a security held by such employees. Employees have invested in the same (or related) securities as those recommend for the Funds, including private securities, and may do so in the future. All

such purchases and sales require pre-clearance by the Chief Compliance Officer in order to mitigate any potential conflicts of interest.

Falcon Edge has established policies and procedures to monitor and resolve conflicts with respect to investment opportunities in a manner it deems fair and equitable, including the restrictions placed on personal trading in the Code of Ethics, as described above, and regular monitoring of employee transactions. Accordingly, Falcon Edge does not believe there is a risk or conflict associated with the Funds' contemporaneously trading the same securities as Falcon Edge or its personnel.

Falcon Edge may determine that it would be in the best interests of the Funds for one Fund to sell a security to another Fund through broker-assisted or internal cross transactions, although it has never done so. If such a determination is made, the relevant security will generally be bought and sold at a price equal to its market price on the transaction date. Falcon Edge does not receive any fees in connection with these transactions.

Falcon Edge does not expect to cause the Funds to enter into principal transactions.

Employees have and may in the future invest in funds managed by other asset managers ("Outside Managers") with clients that have and may in the future invest in Falcon Edge managed funds or accounts. Furthermore, senior members of an Outside Manager have and may in the future serve in an informal advisory capacity to Falcon Edge. Any such arrangements are evaluated by the Chief Compliance Officer in order to mitigate any conflicts of interests.

Further, certain employees of Falcon Edge invest in the Funds or in special purpose or co-investment vehicles formed by Falcon Edge. As a result, such employees have a financial interest in the investments made by the Funds or such other vehicles.

Other Conflicts of Interest

The Funds are subject to a number of actual and potential conflicts of interest involving Falcon Edge. However, Falcon Edge and its affiliates have substantial incentives to see that the assets of Clients appreciate in value, and merely because an actual or potential conflict of interest exists does not mean that it will be acted upon to the detriment of a Fund. Falcon Edge has adopted policies and procedures to address and mitigate conflicts of interest, including those described below.

The following descriptions of conflicts of interest and the conflicts discussed elsewhere in this Brochure do not purport to be a complete list or explanation of the conflicts involved with the management of the Clients advised by Falcon Edge. Investors should consult the offering memorandum or other governing documents for the relevant Client for more details on the conflicts of interest associated with an investment in such Client.

- *Managing Multiple Clients.* Certain inherent conflicts of interest arise from the fact that Falcon Edge and its affiliates provides investment management services to the Funds, Sub-Advised Funds and the SMA and expect that they will in the future advise and manage the investments of additional clients. The respective investment programs of the

existing Clients and future clients have and may in the future be substantially similar or overlap. Falcon Edge may give advice and recommend securities to one Client which may differ from advice given to, or securities recommended or bought for another Client even though their investment objectives may be the same or similar.

Clients will, from time to time, make investments in different levels of the same issuer's capital structure (e.g., common stock, series of preferred stock and/or debt or different series of equity shares in a private company). Such investments are often subject to differing economic terms and other rights and obligations. In certain situations, conflicts may arise because investment decisions made with respect to one Client's investment may have an adverse impact on the value of another Client's investment, for example, where one Client votes common stock holdings of an issuer in favor of a transaction that has an adverse impact on the value of the issuer's preferred stock or debt, which is held by a different client. In addition, in certain circumstances liquidity may only be offered to a particular level of an issuer's capital structure, in which event only the client holding such security may have the ability to liquidate its position. Falcon Edge will seek to resolve such conflicts of interest in a fair and equitable manner.

As described in Item 6 above, Falcon Edge could be subject to a conflict of interest because varying compensation arrangements among Clients could incentivize Falcon Edge to manage Clients differently. These and other differences could make a Client less profitable to Falcon Edge than certain other Clients.

- *Allocation of Investments.* Falcon Edge retains broad discretion to make investment allocation decisions based on the portfolio manager's view of each Fund's desired portfolio construction. It is the policy of Falcon Edge to allocate investment opportunities among Funds fairly and equitably over time. When an investment opportunity is identified, Falcon Edge will determine whether such opportunity is appropriate for more than one Fund based on each Fund's investment program. Investment opportunities that are determined to be appropriate for more than one Fund will generally be allocated among those Funds *pro rata*. However, Falcon Edge may determine to allocate a suitable opportunity other than a *pro rata* basis after taking into account, among other considerations: (i) exposure targets of a Fund, including avoiding overexposure or underexposure to a particular asset class, geography, industry, sector, etc., or other asset attribute (such as Level III assets), (ii) the amount of a Fund's available capital, (iii) the need to ramp up or rebalance a Fund's portfolio, (iv) whether the investment would create undesirable or adverse tax consequences for a Fund, (v) a Fund's liquidity requirements, (vi) the investment's expected risk/return profile and time horizon, (vii) the timing for consummating the investment, (viii) investment guidelines or regulatory restrictions that would or could limit a Fund's ability to participate in a proposed investment, (ix) avoiding odd lots or *de minimis* allocations, and (x) other considerations specific to a Fund. The foregoing considerations may result in allocations

among Funds other than on a *pro rata* basis or may result in a Fund receiving no allocation of a particular investment.

Falcon Edge will have no obligation to purchase or sell a security for, enter into a transaction on behalf of, or provide an investment opportunity to a Client solely because Falcon Edge purchases or sells the same security for, enter into a transaction on behalf of, or provide an opportunity to another Client if in its reasonable opinion such security, transaction or investment opportunity does not appear to be suitable, practicable or desirable for such other Client.

Allocation of Expenses. If any expenses are incurred jointly for more than one Client, or jointly for a Client and Falcon Edge, such expenses will be allocated in accordance with Falcon Edge's expense allocation policies, as may be amended from time to time. Such expenses will be allocated by Falcon Edge in a manner it determines to be fair and equitable, taking into consideration, among other things (i) the extent of a Client's utilization of the services associated with the expense, (ii) the relative benefit to a Client that is derived from the expense and (iii) the association of the expense with a legal, contractual or other obligation of a Client. This is expected to generally result in a *pro rata* allocation based on each Client's participation or anticipated participation in the relevant investment or strategy, however, if Falcon Edge determines that one or more Clients receive substantially all of the benefit, or that the expense would not otherwise have been incurred if it were not for such Client, Falcon Edge will generally allocate such expense solely to such Client(s) that received substantially all of the benefit. It is not always possible or reasonable to allocate or re-allocate expenses to a particular Client, depending upon the circumstances surrounding the timing of the applicable expense and the financial and other terms governing the incurrence of the expense, and, as a result, there may be occasions where a Client does not bear its proportionate share (or any share) of such expenses.

Investment-related expenses for an investment that is not consummated (a "broken deal") will generally be allocated among eligible Clients *pro rata* based on net asset value, capital commitments and/or capacity for the particular investment at the time such investment is deemed "broken". Such amounts and such date will be determined by Falcon Edge. In the event a deal has been determined "broken", but is later consummated, an adjustment can be made to ensure all costs (including those for which Falcon Edge has already been reimbursed) are allocated *pro rata* to the Clients ultimately participating in the investment. Falcon Edge may from time to time seek to form co-investment or overflow vehicles to invest in a specific asset or a series of related assets. In the event Falcon Edge determines that an investment opportunity may be suitable for existing Clients and a co-investment vehicle, but such investment ultimately becomes a "broken deal", all expenses attributable to such broken deal will be allocated solely to those existing Clients that would have participated in the investment opportunity in accordance with the policy above.

Personnel of Falcon Edge have a passive ownership interest in a company that provides various research services to certain Clients and such Clients will bear the fees and expenses associated with those services. This could create a conflict of interest for Falcon Edge in determining the terms of the commercial relationship with such company or whether to retain the company as a research provider. The members of Falcon Edge with an ownership interest will take no part in the management or affairs of such company or in commercial negotiations between Falcon Edge, the Clients and such company.

- *Co-Investments.* Falcon Edge has and may, from time to time, offer certain investors in a Fund and other third parties the right or opportunity to co-invest with a Fund in certain portfolio investments. A co-investment opportunity will only be considered if Falcon Edge has determined that all existing Funds for which the opportunity is suitable have received (or will receive) their desired exposure to the specific asset. Falcon Edge is not obligated to provide co-investment opportunities to any existing investor, and no existing investor will be entitled to or have any right to participate in such an opportunity by reason of being an investor in a Fund or by having expressed an interest in investing in co-investment opportunities. Any offer to participate in co-investment opportunities may be made to such investors and/or such other persons in such proportions and subject to such terms and conditions as Falcon Edge determines in its sole discretion, taking into account facts and circumstances including the nature of the transaction, speed of execution required, tax considerations, familiarity with and history of investing in the relevant industry, ability to provide strategic insights and other factors believed relevant by Falcon Edge. Falcon Edge has sole discretion as to the amount (if any) of a co-investment opportunity that will be allocated to a particular investor and may allocate co-investment opportunities to select investors in a Client or to third parties. If Falcon Edge determines that an investment opportunity is too large, too small or otherwise unsuitable for existing Clients, Falcon Edge may, but will not be obligated to, make proprietary investments therein. Falcon Edge and its affiliates may earn management fees or performance-based compensation (which may be different than the fees and/or compensation charged by the Funds) in respect of such co-investments. Based on the compensation structure or composition of investors participating in such co-investment opportunities, Falcon Edge may be biased when determining the capacity of a Fund with respect to certain investments.
- *Ancillary Fees.* Falcon Edge and its affiliates and employees may, but ordinarily do not expect to, earn fees and other income (“Ancillary Fees”) from services provided or related to portfolio investments or in connection with portfolio investments or prospective portfolio investments, including, without limitation, advisory or performance fees, due diligence fees, structuring fees, servicing fees, directors’ fees, break-up fees or any similar fees. Such Ancillary Fees (after tax) will either accrue to the benefit of the applicable Fund(s) which are invested in such portfolio companies as determined by Falcon Edge in a fair and equitable manner, or will reduce the fees or incentive

compensation borne by investors participating in the investment to which any Ancillary Fees relate.

- *Valuation.* The Funds' and SMA's assets and liabilities are valued in accordance with Falcon Edge's valuation policy and procedures, as may be amended from time to time (the "Valuation Policy"). In making valuation determinations, Falcon Edge may be subject to a conflict of interest, especially with respect to illiquid securities, as the valuation of such assets and liabilities affects its compensation. There is no guarantee that the value determined with respect to a particular asset or liability by Falcon Edge will represent the value that will be realized by a Client on the eventual disposition of the related investment or that would, in fact, be realized upon an immediate disposition of the investment. Falcon Edge seeks to manage this conflict of interest by allocating the responsibility for valuation of assets and liabilities to employees who do not make trading and investment decisions.

Item 12 – Brokerage Practices

Broker-Dealer Selection Criteria

In choosing brokers and dealers to effect portfolio transactions for Clients, Falcon Edge seeks to obtain “best execution” for the Clients’ transactions. Although Falcon Edge seeks competitive commission rates, it does not necessarily pay the lowest commission rate available. Transactions may involve specialized services on the part of a broker-dealer, which may justify higher commissions than would be the case for more routine services.

Falcon Edge may consider any or all of the following factors in selecting broker-dealers for Client transactions and determining the reasonableness of their compensation:

- Price;
- The broker’s or counterparty’s relevant expertise related to the specific instrument traded or market that it is being traded in;
- Speed of execution;
- Transaction costs, including fees and commissions;
- Likelihood and/or method of settlement;
- Size of the order;
- Nature of the order;
- Potential market impact;
- Value of research;
- Quality of access to corporates; and
- Other considerations relevant to the order

Falcon Edge maintains policies and procedures to review the quality of executions, including periodic reviews by our investment, operations and compliance professionals.

Use of Soft Dollars and Commission Sharing

In connection with a portion of its trading, Falcon Edge agrees on behalf of Clients to pay brokerage commission rates that are more costly than “execution only” rates. In doing so, Falcon Edge pays commissions, in part, to obtain products and services to be used for the benefit of Falcon Edge and/or Clients, a practice referred to as “soft dollar” expenditure. An investment adviser may have an incentive to select or recommend a broker-dealer based on the investment adviser’s interest in receiving the research or other products or services (whether for the investment adviser’s own benefit or for the benefit of its other clients) rather than the interest of the applicable client in receiving most favorable execution.

Falcon Edge also engages in “commission sharing,” which is a practice whereby Falcon Edge pays a broker-dealer for trade execution and requests that the broker-dealer allocate a portion of the commissions to third-party providers of research or other products or services.

Falcon Edge’s use of commissions or soft dollars (including dealer markups and markdowns arising in connection with certain riskless principal transactions) for research and research-related services will come within the safe harbor for the use of soft dollars provided under Section 28(e) of the Securities Exchange Act of 1934, as amended, and subject to prevailing guidance provided by the SEC regarding Section 28(e). Consistent with Section 28(e), research products or services obtained with “soft dollars” generated by a Client may be used by Falcon Edge to service one or more other Clients. Nonetheless, Falcon Edge believes that such investment information provides each Client with benefits by supplementing the research otherwise available to such Client.

Generally, research services provided by broker-dealers in exchange for soft dollars may include but are not limited to, research reports (including market research); certain financial newsletters and trade journals; software providing analysis of securities portfolios; corporate governance research and rating services; attendance at certain seminars and conferences; discussions with research analysts; meetings with corporate executives; consultants’ advice on portfolio strategy; data services (including services providing market data, company financial data and economic data); advice from broker-dealers on order execution; and certain proxy services. In some cases, research services may be generated by third parties but provided to Falcon Edge by or through broker-dealers.

Brokerage services may include, but are not limited to, services related to the execution, clearing and settlement of securities transactions and functions incidental thereto (*i.e.*, connectivity services between an adviser and a broker-dealer and other relevant parties such as custodians); trading software operated by a broker dealer to route orders; software that provides trade analytics and trading strategies; software used to transmit orders; clearance and settlement in connection with a trade; electronic communication of allocation instructions; routing settlement instructions; post trade matching of trade information; and services required by the SEC or a self-regulatory organization such as comparison services, electronic confirms or trade affirmations.

Where a product or service obtained with soft dollars provides both research and non-research assistance to Falcon Edge (e.g., a “mixed use” item), Falcon Edge makes a good faith allocation of the cost which may be paid for with soft dollars. In making good faith allocations of costs between administrative benefits and research and brokerage services, a conflict of interest may exist by reason of Falcon Edge’s allocation of the costs of such benefits and services between those that primarily benefit Falcon Edge and those that primarily benefit the Clients.

Allocation and Aggregation of Transactions

It is the policy of Falcon Edge to allocate investment opportunities among Clients fairly and equitably over time. See Item 11 above for more information on Falcon Edge’s investment allocation policy.

If the purchase or sale of a security is allocated to multiple Clients, Falcon Edge may, but is not obligated to, purchase or sell such a security on behalf of such Clients with an aggregated order, for the purpose of reducing transaction costs, to the extent permitted by applicable law. When aggregating orders, Falcon Edge will treat all Clients in a fair and equitable manner. When an aggregated order is filled through multiple trades at different prices on the same day, each participating Client generally will receive the average price, subject to odd lots, rounding, and other market practice. Transaction costs of aggregated orders generally allocated *pro rata* based on the size of each Client's participation in the order as determined by Falcon Edge.

Trade Errors

The Clients expect, on occasion, to experience errors with respect to trades made on their behalf. Trade errors may include, for example, (i) the placement of orders (either purchases or sales) in excess of (or less than) the amount of securities the Partnership intended to trade; (ii) the sale of a financial instrument when it should have been purchased; (iii) the purchase of a financial instrument when it should have been sold; (iv) the purchase or sale of the wrong financial instrument; (v) the purchase or sale of a financial instrument contrary to regulatory restrictions or Client investment guidelines or restrictions; (vi) incorrect allocations of financial instrument; (vii) keystroke errors that occur when entering trades into an electronic trading system; and (viii) typographical or drafting errors related to derivatives contracts or similar agreements. Trade errors may result in losses or gains.

Falcon Edge will endeavor to detect trade errors prior to settlement and correct and/or mitigate them in an expeditious manner. To the extent an error is caused by a counterparty, such as a broker-dealer, Falcon Edge will seek to recover any losses associated with such error from the counterparty, but may not be able to do so. Soft dollars may not be used, either directly or indirectly, to correct trade errors. Any amounts recovered will be for the benefit of the applicable Client. Pursuant to the Clients' governing documents, the Clients (and not Falcon Edge) will generally benefit from any gains resulting from trade errors and will generally be responsible for any losses (including additional trading costs) resulting from trade errors and similar human errors, absent Falcon Edge's breach of the standard of care set forth in the Clients' governing documents.

Item 13 – Review of Accounts

Portfolio Review

Falcon Edge's investment professionals, led by a portfolio manager and including a team of analysts, review the Clients' portfolios on a regular basis. The investment professionals engage in a process to source, research and size investments. Aspects of this process include research, regular investment staff meetings and discussions with the portfolio manager regarding the merits of a particular investment idea and how it fits into the portfolios.

Client/Investor Reporting

The investor reporting provided by each Client will differ.

Investors will generally receive periodic reports from Falcon Edge or from a Client's administrator, which may be provided monthly, quarterly or in other intervals. Such reports may include performance estimates for the applicable period, attribution and exposure reports and statements of net asset value. Certain Clients also provide investors with a quarterly or semi-annual letter prepared by Falcon Edge. Certain investors or prospective investors request additional information and reports and other investors may not receive some or all of the information or reports provided in response to such requests.

Falcon Edge also provides annual audited financial statements to investors for their applicable Client and, if applicable, Schedule K-1s.

Item 14 – Client Referrals and Other Compensation

Neither Falcon Edge nor any related person directly or indirectly compensates any person who is not a Falcon Edge supervised person, including placement agents, for client referrals. Falcon Edge may in the future enter into arrangements with placement agents to solicit investors. If Falcon Edge does engage placement agents, they would be subject to a conflict of interest because they would be compensated by Falcon Edge in connection with those solicitation activities. Investors solicited by any such placement agents would be advised of any compensation arrangements relating to their solicitation.

No one other than the Clients provide an economic benefit to Falcon Edge for providing investment advice or other advisory services to the Clients.

Item 15 – Custody

Under Rule 206(4)-2 of the Advisers Act, an adviser has custody if it acts in any capacity that gives the adviser legal ownership of, or access to, a client's funds or securities. Accordingly, Falcon Edge generally has custody of Fund assets because it or its affiliate either (i) acts as general partner of a Fund with the authority to dispose of funds and securities in such Fund's account or (ii) is deemed to have custody because of its ability to withdraw its fees directly from the Funds. Rule 206(4)-2 imposes certain requirements on registered investment advisers who have actual or deemed custody of client assets. However, Falcon Edge expects to be exempt from some of these requirements because (1) the Funds will be audited in accordance with the U.S. generally accepted accounting principles on an annual basis, (2) the independent public accountant conducting the audit is registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board, and (3) audited financial statements will be distributed to each investor in a Fund within 120 days of the end of such Fund's fiscal year (or within 180 days in the case of any Fund that is a fund-of-funds). Falcon Edge does not expect to be deemed to have custody of funds or securities for the Sub-Advised Funds or the SMA.

In addition, Falcon Edge generally maintains each Fund's funds and securities at prime brokers or a custodial bank, all of whom are qualified custodians, as that term is defined under the custody rule under the Advisers Act. For any securities that are not held with qualified custodians (e.g., certain uncertificated securities and other private securities), such securities will be held in accordance with the provisions of the Custody Rule and any applicable guidance from the SEC staff.

Item 16 – Investment Discretion

Falcon Edge has full discretionary authority to manage securities accounts on behalf of its Clients (other than one of the Sub-Advised Funds) pursuant to our investment management agreements with the Clients or the relevant Client's organizational documents (e.g., limited partnership agreement). Falcon Edge manages each Client in accordance with the guidelines and restrictions set forth in such Client's offering documents. Falcon Edge has the authority to determine the securities, and the amount of securities, to be bought and sold without obtaining Client or investor consent to specific transactions.

Item 17 – Voting Client Securities

Proxy Voting

Falcon Edge generally has the authority to act on proxies (vote or abstain) on behalf of Clients. Falcon Edge votes all proxies in the best interest of Clients and seeks to maximize shareholder value. Falcon Edge uses an independent third party for proxy voting, which provides proxy analyses, vote recommendations, vote execution and record keeping services for Falcon Edge. Falcon Edge will generally vote in accordance with the proxy service's recommendation, but Falcon Edge retains the authority to override the recommendation on any proxy vote.

Falcon Edge may have a conflict of interest in voting a particular proxy. A conflict of interest could arise, for example, as a result of a business relationship with a company, or a direct or indirect business interest in the matter being voted upon, or as a result of a personal relationship with corporate directors or candidates for directorships. If Falcon Edge determines that it or one of its employees faces a material conflict of interest in voting a proxy, Falcon Edge may consult the independent members of the board of directors or governance board of each Client to determine the appropriate vote.

Upon request, investors may obtain a copy of Falcon Edge's proxy voting policies and procedures, as well as information about how Falcon Edge voted with respect to the securities held by the applicable Client.

Class Actions

In the event that a Client becomes eligible to participate in a class action, Falcon Edge will determine whether participation in such action is in the Client's best interest after considering any costs that may be incurred in connection therewith, as well as any profits that are reasonably likely to result from such participation. Any proceeds ultimately received from a class action are expected to be credited to the applicable Client(s) for the benefit of the then-current investors only.

Item 18 – Financial Information

Falcon Edge has never filed for bankruptcy and is not aware of any financial condition that is expected to impair its ability to meet contractual commitments to its Clients.