



ANATOLE ASSET MANAGEMENT LTD.

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This brochure ("Brochure") provides information about the qualifications and business practices of Anatole Asset Management Ltd. ("AAM", the "Investment Manager", or the "Firm"). If you have any questions about the contents of this Brochure, please contact AAM's Chief Compliance Officer ("CCO"), at Hong Kong direct dial (852) 3793-3098 or by email at ehwang@anatole-us.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority. Registration of an investment adviser does not imply that AAM or any of its principals or employees possess a particular level of skill or training in the investment advisory business or any other business.

Item 2: Material Changes

- (i) Exempt Reporting Investment Manager (ERA) conversion initial filing to Registered Investment Adviser (RIA) status.

IMPORTANT NOTE ABOUT THIS BROCHURE

This Brochure is not:

- **an offer or agreement to provide advisory services to any person**
- **an offer to sell interests (or a solicitation of an offer to purchase interests) in any fund referred to in this Brochure**
- **a complete discussion of the features, risks or conflicts associated with any fund referred to in this Brochure or any advisory service**

As required by the Investment Advisers Act of 1940, as amended (“**Advisers Act**”), AAM provides this Brochure to current and prospective clients. Additionally, this Brochure is available through the Securities and Exchange Commission’s (“**SEC’s**”) Investment Adviser Public Disclosure website.

Although this publicly available Brochure describes investment advisory services and products of AAM, persons who receive this Brochure (whether or not from AAM) should be aware that it is designed solely to provide information about AAM as necessary to respond to certain disclosure obligations under the Advisers Act. As such, the information in this Brochure may differ from information provided in relevant offering materials. In addition, more complete information about each fund managed by AAM, as well as AAM’s investment advisory services, is included in relevant offering materials. To the extent that there is any conflict between discussions herein and similar or related discussions in any offering materials, the relevant offering materials shall govern and control.

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Item 4: Advisory Business

A. Background

Anatole Asset Management Ltd. (“AAM,” the “Investment Manager”, or the “Firm”), a Cayman Islands exempted limited company was founded in 2016 by Xiaofan “George” Yang, Chief Investment Officer (“CIO”) and Gary Lee, Chief Operating Officer (“COO”).

B. Advisory Services

AAM provides investment advisory services in relation to private funds which qualify under Section 3(c)(7) exclusion of the Investment Company Act of 1940. Currently, AAM advises two private funds (hereinafter, may be referred to as the Fund or Fund(s)), which are organized in a master feeder structure with each feeder fund investing solely into a specified master fund.

To the extent that a master feeder structure is employed, references to a particular Fund will mean collectively the associated master fund and feeder funds. Further, for purposes of this Brochure, all references to Fund or Fund(s), whether singular or plural, shall refer collectively to both of the below Funds, unless otherwise noted:

ANATOLE PARTNERS MASTER FUND, L.P. (“APMF”)

Master Fund; Cayman Fund

- ANATOLE PARTNERS LTD. – Feeder Fund – Cayman Fund
- ANATOLE PARTNERS, L.P. – Feeder Fund – Delaware Fund

General Partner - Anatole Partners GP Ltd., a Cayman Islands exempted limited company.

Investment Manager: Anatole Asset Management Ltd., a Cayman Islands exempted limited company.

Sub-Adviser: Anatole Investment Management Limited, a private company limited by shares and incorporated in Hong Kong (the “HK Adviser” or “AIM”), as a sub-adviser to the Investment Manager.

ANATOLE PARTNERS ENHANCED MASTER FUND, L.P. (“APEMF”)

Master Fund; Cayman Fund

- ANATOLE PARTNERS ENHANCED LTD. – Feeder Fund – Cayman Fund
- ANATOLE PARTNERS ENHANCED, L.P. – Feeder Fund – Delaware Fund

General Partner - Anatole Partners GP Enhanced Ltd., a Cayman Islands exempted limited company.

Investment Manager - Anatole Asset Management Ltd., a Cayman Islands exempted limited company.

Sub-Adviser - Anatole Investment Management Limited, a private company limited by shares and incorporated in Hong Kong (the “HK Adviser” or “AIM”), as a sub-adviser to the Investment Manager.

In the future, AAM may advise additional funds that may or may not use a master feeder structure like those of the two Funds above.

Pursuant to an investment management agreement with the Master Fund, AAM is the Investment Manager and has sole authority to manage the Fund’s investment and trading activities, subject to the policies and control of the Fund’s Board of Directors (the “*Directors*” or “*Board of Directors*”) and the Master Fund’s General Partner, respectively. AAM has appointed Anatole Investment Management Limited (“AIM”) as a sub-adviser to the Investment Manager. Pursuant to a services agreement, AIM provides AAM with investor relations and marketing support, research and analysis, as well as assistance with the execution and implementation of the Master Fund’s investment and trading activities.

AAM focuses on deep-dive, bottoms-up fundamental research, the bedrock of a rigorous idea generation and investment management process. AAM invests globally and across sectors but has a particularly strong emphasis on the technology, consumer, and healthcare sectors. AAM’s proprietary primary research infrastructure and expertise in Asia drives its ability to systematically identify unique investment opportunities in companies listed on numerous Asian and global stock exchanges.

AAM’s investment objective is to produce consistently superior returns with managed risk and low market correlation through a rigorous, research-driven investment approach. AAM seeks to attain its investment objective primarily by implementing a highly concentrated long/short investment strategy.

The investment strategy is mainly focused on Asia, particularly in a select number of publicly listed Asia-based companies, but from time-to-time, AAM may also opportunistically invest in a select number of companies not based in Asia if it believes its investment approach and understanding of a company and industry offers it a distinct competitive edge. AAM invests Fund assets chiefly in common stock, preferred stock and convertible securities or related equity derivatives such as equity options, contracts for differences (CFDs), and equity “swaps”, and may also opportunistically consider, on a limited basis, to take positions in fixed income securities, including rated and unrated bonds and debentures, and high yield securities, as well as to invest in currencies as a means of hedging.

C. Customization of Advisory Services

None of the Funds is tailored to meet the individual investment needs of a particular Investor.

D. Wrap Fee Programs

Not applicable.

E. Client Assets

As of October 31, 2018, AAM has approximately \$ 545,473,366 of regulatory assets under discretionary management.

Item 5: Fees and Compensation

A. Compensation

Anatole Partners Master Fund, L.P.

The Investment Manager charges each Feeder Fund of APMF an annual management fee between 1.50-1.75% which is paid by the Master Fund. The Master Fund pays the Investment Manager a management fee (the “Management Fee(s)”) at a rate equal to the applicable management fee percentage (“Management Fee Percentage”) of each of the Limited Partner’s Capital Account balance. In addition, the Investment Manager affiliates that serve as the general partner of the Fund (the “**General Partners**”) is allocated 20% of realized and unrealized appreciation in the Net Asset Value of each of the Limited Partner’s Capital Account in the Master Fund.

Anatole Partners Enhanced Master Fund, L.P.

The Investment Manager charges each Feeder Fund of APEMF an annual management fee between 0.75-1.00% which is paid by the Master Fund. The Master Fund pays the Investment Manager a management fee (the “Management Fee(s)”) at a rate equal to the applicable management fee percentage (“Management Fee Percentage”) of each of the Limited Partner’s Capital Account balance. In addition, the Investment Manager affiliates that serve as general partners of the Fund is allocated 25% of realized and unrealized appreciation in the Net Asset Value of each of the Limited Partner’s Capital Account in the Master Fund during the applicable Performance Period (as defined below); provided, however, that with respect to the sub-capital account of a holder of Class B Shares, the General Partner is only eligible to receive an Incentive Allocation if the net realized and unrealized appreciation in the Net Asset Value of such sub-capital account for the applicable Performance Period exceeds the Hurdle Amount, as defined in the Fund Private Placement Memorandum (“PPM”), for such sub-capital account for the applicable Performance Period; provided, further, that only the portion of such net realized and unrealized appreciation that is in excess of the Hurdle Rate is used to calculate the Incentive Allocation.

In addition, for both Funds, without notice to other investors, the Funds may enter, have in the past entered, and expect in the future to enter, into “side letter” agreements with certain prospective or existing investors, including investors affiliated with the Firm. Under such side letter agreements, a Fund or the Firm may grant certain investors, among other things, greater portfolio transparency, special liquidity rights (in the ordinary course or upon specified events), fee waivers or adjustments, future capacity in the Fund, different voting rights or restrictions, reduced minimum subscription amounts, additional rights to reports and other information. In addition, the Funds may seek special commitments from certain investors. As a result of such agreements, certain investors may, among other things, receive information

not generally available to other investors or the right to redeem at a time when redemptions are otherwise not permitted. The granting of preferred or different terms to certain investors is solely at the discretion of AAM (and, where required, the Board of Directors or Trustees of the Funds), and the Funds shall have no obligation to offer such differing or additional rights, terms or conditions to all investors.

B. Billing

The Funds and Management Fees are payable monthly in advance from the commencement date of the Fund.

C. Other Expenses

Each of the Funds responsible for and does incur other expenses in addition to the Management Fee payable. These expenses typically include establishment costs, legal, tax, administrators and audit fees, and third-party costs arising from transactions whether completed or uncompleted.

The Funds pay for, or reimburse the Investment Manager and its affiliates for, their payment of all costs and expenses incurred in connection with the Fund's organizational expenses and its pro rata share of the Master Fund's organizational expenses (collectively, the "*Organizational Expenses*").

Fund Expenses. The Master Fund bears all of its and the Fund's ongoing operating expenses (except to the extent the Fund incurs operating expenses in respect of its direct investment activities, if any). These include, but are not limited to, investment expenses such as brokerage commissions, interest on margin and other borrowings, borrowing charges on securities sold short, research and market data costs, and other investment transaction costs (including markups and mark-downs); operational expenses such as custodial and sub-custodial fees, bookkeeping, accounting, audit, tax and other professional fees and expenses (including Fund directors' and consultants' fees and expenses), legal fees (including fees paid to the Investment Manager/General Partner's counsel for services for the benefit of the Fund or the Master Fund), expenses incurred by the Investment Manager for investment research and due diligence, tax preparation fees, governmental fees and taxes, filing fees, D&O/E&O expenses, costs of reporting, costs of Fund or Master Fund governance activities (such as obtaining Shareholder consents), costs of Fund regulatory compliance (such as, for example, preparation of federal and state regulatory filings), fees paid to a third-party administrator to perform, among other things, some of the services and functions described above, including fees paid to the Administrator; and all other reasonable expenses related to the management and operation of the Fund and the Master Fund and/or the purchase, sale or transmittal of the Fund's and the Master Fund's assets, all as the Investment Manager determines in its sole discretion. The Master Fund pays to the Administrator, on behalf of itself and the Fund, customary fees based on the nature and extent of services provided to the Fund and the Master Fund pursuant to the Administration Agreement. The liabilities and expenses allocated to the Fund by the Master Fund are allocated among the sub-capital accounts of the Series to which they relate. Liabilities and expenses not specifically attributable to a Series of Shares are allocated among the sub-capital accounts of the Series the General Partner considers equitable.

Investment Manager Expenses. The Investment Manager (directly or through an affiliate) provides the Fund with office space, utilities and other basic “overhead” facilities and services. Neither the Master Fund nor the Fund pays or reimburses directly any of the Investment Manager (or its affiliates, if applicable) general overhead costs or expenses, such as the rent of the Investment Manager (or its affiliates, if applicable) offices, the compensation and benefits of the Investment Manager’s (or its affiliates, if applicable) administrative staff, maintenance of the Investment Manager’s (or its affiliates, if applicable) books and records or the fixed expenses (e.g., telephone and general-purpose office equipment) of the Investment Manager (or its affiliates, if applicable).

D. Other Compensation

Not applicable.

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

As stated above, the Firm charges investors in its private funds fees based on a share of capital gains on or capital appreciation of the client’s assets under management. Performance-based compensation may create an incentive for the Firm to make investments that are riskier or more speculative than would be the case in the absence of the performance-based compensation. In addition, the performance on which performance-based compensation is calculated will include unrealized appreciation and depreciation of investments that may not ultimately be realized.

Item 7: Types of Clients

AAM provides investment advisory services to certain private investment funds (the aforementioned Funds) organized as limited partnerships, limited liability companies, or other legal entities. These Funds are not registered under federal securities laws and typically utilize sophisticated investment strategies and proprietary investment research. US Investors in the Funds are generally required to qualify as “accredited investors” under Rule 501(a) of Regulation D under the Securities Act of 1933 and/or as a “qualified purchasers” as defined under Section 2(a) (51) of the Investment Company Act of 1940. The Funds qualify for exemption from the definition of “investment company” under the Investment Company Act of 1940, as amended (the “Investment Company Act”) under Section 3(c) (1) or Section 3(c) (7) of the Investment Company Act. Investors must meet the requirements for an “accredited investor” under the Securities Act of 1933, as amended (the “**1933 Act**”) and a “qualified purchaser” under the Investment Company Act of 1940, as amended (the “**Investment Company Act**”).

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

A. Methods of Analysis and Investment Strategy

The investment approach is based on bottom up, fundamental stock picking, long and short. Each position will stand on its own based on our assessment of significant discrepancy between current market value and intrinsic business value.

The investment strategy is mainly focused on Asia, particularly in a select number of publicly listed Asia-based companies, but from time-to-time the Investment Manager may also opportunistically invest in a select number of companies not based in Asia if it believes its investment approach and understanding of a company and industry offers it a distinct competitive edge. The Fund expects to chiefly invest in common stock, preferred stock and convertible securities or related equity derivatives such as equity options, contracts for differences (CFDs), and equity “swaps”, but the Fund may also opportunistically consider, on a limited basis, to purchase fixed income securities, including rated and unrated bonds and debentures, and high yield securities, as well as to invest in currencies as a means of hedging.

The Investment Manager generally follows the following investment process in constructing the Fund’s portfolio:

- The Investment Manager will attempt to identify what it believes are the top stocks for the Fund to own or short across the various markets in which the Fund will invest. The Funds will have either long or short positions, in their portfolios. The analytical work is conducted “in the trenches” – meaning that the fund manager meets with many levels of a target company’s management, in addition to competitor analysis, trade shows and channel checks with suppliers and customers.
- The Investment Manager will utilize short selling to create a conservative net exposure to the market, which is designed to offset the increased risk involved with the use of portfolio leverage. Short selling largely shifts investors’ risk from stock market risk to stock picking risk and is intended to protect capital during periods of market decline. However, with short selling, the importance of individual stock selection is magnified significantly.
- The Investment Manager’s investment style may not fit easily into typical money management classifications, such as “growth” or “value,” as the Investment Manager has a flexible and adaptive approach to investing, which allows it to take advantage of investing opportunities as they arise.
- The Investment Manager’s generation of long and short investment ideas involves comprehensive and constant meetings with company management, competitors, suppliers, customers, regulators and other industry experts. Concurrently, the Investment Manager engages in investigative research and due diligence of target companies’ products and services through its extensive network of contacts. The Investment Manager constructs financial models, based on the information and data

acquired through these various methods, to try to forecast the economics of each target company.

The Fund's long positions typically consist of the following:

- ❖ Growth companies, where capital can be reinvested in the business at a high rate of return for a long period of time – the Investment Manager focuses on these investments because they do not need to be replaced very often (unfortunately they are also difficult to find at reasonable prices);
- ❖ Companies that generate significant amounts of cash with only modest growth opportunities (i.e., where management is aggressively using the cash for the benefit of shareholders);
- ❖ Previously undermanaged, solid companies where a top-flight management team has recently taken control; and
- ❖ Companies that the Investment Manager believes are the best situated to take advantage of evolving industry dynamics, which include changes in growth drivers, consumption trends, M&A and competition.

All of these investments have three things in common: (i) management that the Investment Manager respects, trusts and wants to be partners with; (ii) companies that have competitive “moats” around them; and (iii) reasonable valuations.

The Fund's short positions typically consist of the following:

- ❖ Companies where the Investment Manager believes there is a significant misperception about the economics of the business or the sustainability of growth (e.g., overestimation of market size, poor underlying cash economics, ineffective product and competitive encroachment);
- ❖ Companies that the Investment Manager believes are led by sub-standard management, that deviate from market-based practices and/or disseminate misleading information about its business performance and potential;
- ❖ Companies that the Investment Manager believes are inadequately equipped to deal with increasingly challenging circumstances, such as intensified competition, structural industry transitions and declining or decelerating growth; and
- ❖ Companies where the Investment Manager believes the reported results are fraudulently presented (but not aggressively accounted for), causing an enormous difference between reported numbers and economic reality.

The Investment Manager tries to avoid two pitfalls that often affect short sellers: (i) that a very high valuation is not by itself a sufficient reason to initiate a short position; and (ii) aggressive accounting (e.g., capitalizing what should be expensed, manipulating reserves, etc.) is also not by itself a sufficient reason to initiate a short position.

- Net portfolio exposure (long exposure less short exposure, divided by equity) will vary with the level of net exposure driven by the number of individual long and short ideas the Investment Manager has and its level of conviction in those ideas. The Investment Manager's value add is picking individual stocks, not picking market direction.

Depending on conditions and trends in securities markets, the Fund may pursue strategies and/or employ techniques other than the primary strategies and techniques described above, such as opportunistically investing in private companies (up to 10% of AUM) or employing a shareholder engagement strategy, to the extent the General Partner, the Investment Manager or the Board of Directors, as applicable, considers doing so appropriate and in the Fund's best interests. For example, if the Investment Manager identifies a company trading at a significant discount to the Investment Manager's estimate of intrinsic value, it may cause the Fund (along with other pooled vehicles and/or accounts managed by the Investment Manager) to accumulate influential equity stakes (either a majority/controlling or non-controlling position), which would allow the Fund (along with other pooled vehicles and/or accounts managed by the Investment Manager) to act as a catalyst to narrow the divergence between such company's current share price and its estimated intrinsic value. The Investment Manager may, in its sole discretion, place some or all of these types of opportunistic investments in a "side pocket."

B. Risk of loss

Investing in securities in general involves risks of loss that Investors should be prepared to bear. The Fund's investment program is speculative and entails substantial risks. No assurances can be given that the Fund's investment objectives will be realized. Please refer to the Funds PPM for a full description of the risks investors are subject to.

The principal risks of AAM investment strategy are as follows:

General Economic and Market Conditions. The success of the Fund's investments may be affected by general economic and market conditions, such as interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws, developments in governmental regulation and national and international political circumstances. These factors may affect the success of the businesses in which the Fund's portfolio companies are engaged as well as the markets for the securities the Fund holds. Unexpected volatility or illiquidity could impair the Fund's profitability or result in losses.

Investment and Trading Risks. An investment in a Fund involves a high degree of risk, including the risk that the entire amount invested may be lost. The Funds invests in and actively trades securities and other financial instruments using strategies and investment techniques with significant risk characteristics, including risks arising from the volatility of the equity markets, the risks of borrowings and short sales, the leverage associated with trading on margin and in the derivatives markets, the potential illiquidity of derivative instruments and the risk of loss from counterparty defaults. No guarantee or representation is made that the Fund's investment program will be successful, that the Fund's various investment strategies will have low correlation with each other, or that the Fund's returns will exhibit low

correlation with an investor's traditional securities portfolio. The Investment Manager may utilize such investment techniques as option transactions, margin transactions, short sales, leverage, and derivatives trading. These transactions could impose substantial volatility and can, in certain circumstances, substantially increase the adverse impact to which the Fund's investment portfolio may be subject.

Equity Securities. The equity and equity-linked securities in which the Fund invests are subject to general movements in the stock market and the value fluctuations of each particular issuer's stock. Equity security prices fluctuate for several reasons, including changes in the financial condition of a particular issuer, investors' perceptions of the issuer's industry, the general condition of the relevant stock market, changes in interest rates, or when political or economic events affecting the issuers occur.

Arbitrage Strategies. The success of the Fund's trading activities will depend on the Investment Manager's ability to identify overvalued and undervalued investment opportunities and to exploit price discrepancies in the capital markets. Identification and exploitation of the trading strategies to be pursued by the Fund involves uncertainty. No assurance can be given that the Investment Manager will be able to correctly locate trading opportunities or to exploit price discrepancies in the capital markets.

Use of Leverage. Leverage through margin borrowing and other means is part of the Fund's core investment strategy. The Funds expect to leverage its investment positions by borrowing funds from securities brokers or dealers, banks, or others. It may also use derivatives to leverage its capital, as discussed below. Leverage increases both the possibilities for profit and the risk of loss.

Short Selling. The Fund sells securities short as a regular part of its investing activities. In a short sale, the Fund sells securities it does not own, in the hope that the market price will decline and that the Fund will be able to buy replacement securities later at a lower price. To accomplish this, the Fund borrows the securities from a broker or other third party. It "closes" the position by "returning" the security (buying a replacement security on behalf of the lender). The obligation to replace the borrowed securities does not typically have a specified "maturity" date and the lender generally may require replacement of the securities whenever it chooses. A short sale theoretically involves the risk of unlimited loss: the price at which the Fund must buy "replacement" securities could increase without limit.

Hedging, Generally. Although hedging strategies in general are usually intended to limit or reduce investment risk, they may not achieve the anticipated effect. In fact, they may result in poorer overall performance for the Fund than the Fund could have achieved had it not engaged in such hedging transactions. In addition, although the Investment Manager may utilize a variety of instruments, including options and other derivatives, for hedging and risk management purposes, it is not obligated to, and may not, hedge against certain risks. Furthermore, the Fund's portfolio will always be exposed to risks that cannot be hedged.

Concentration of Investments. Except with respect to investments in private companies, neither the Master Partnership Agreement, nor the Articles of Association limits the amount of capital that may be committed to any single investment, industry or sector. The Funds do not intend to limit its investment in the securities of a company and will not seek to spread capital among a large number of investments.

Limited Liquidity of Some Investments; Valuation. The Funds may invest in securities that are relatively illiquid. That may be because a security is thinly traded or because the Fund's position in a security is large in relation to the overall market for the security. The Fund may own securities that are relatively liquid when acquired but that become illiquid after the Fund invests. The Fund may not be able to liquidate illiquid securities positions if the need were to arise; rapid sales of such securities could depress the market value of those securities, reducing the Fund's profits, or increasing its losses, in the positions.

Risks of Investing in Non-U.S. Securities. Investing in securities and commodity interests of non-U.S. companies, securities, commodity interests and derivative contracts and instruments denominated in currencies other than U.S. dollars subjects the Fund to certain risks not typically associated with investing in securities and commodity interests in the U.S. such as; Political and Economic Instability, Currency Fluctuations, Characteristics of Foreign Securities Markets; Less Company Information and Regulation; Restrictions on Investment and Repatriation and Foreign Withholding Taxes.

Valuation Risks. Many of the securities in which the Fund may invest are traded in markets that are not as active or deep as many other equity markets. For some securities, there are no established secondary markets. For others, the market may be subject to irregular trading activity, wide bid/ask spreads and extended trade settlement periods, resulting in unreliability of pricing information. The markets for over-the-counter derivative products are even less developed and have no equivalent of established securities exchanges or composite tape systems to supply pricing information. Because of market inefficiencies, there can be material variation of bid/ask pricing from different dealers. In some circumstances, prices for positions the Fund holds may not be available from any source.

Risk of Derivatives, Generally. The Fund may trade and invest in a variety of derivative instruments, both to hedge the Fund's portfolio and for profit. Derivatives are financial instruments or arrangements, the risk and return of which are related to changes in reference rates, indices or the value of securities or other assets.

Counterparty and Settlement Risk. The Fund may enter into over-the-counter derivative contracts or transactions (i.e., transactions in options or other derivatives that are not cleared through the facilities of an exchange or clearing organization such as the Options Clearing Corporation). These may include "swaps" and contracts for differences. Instruments or interests underlying these contracts or transactions may include securities, securities indices, interest rates, commodities and commodities indices. If the Fund invests in these instruments, it may be exposed to the risk of default by its counterparty or to settlement difficulties.

Mainland China and Hong Kong-related Risks. Investing in the securities markets in Mainland China is subject to the risks of investing in emerging markets generally as well as to specific risks relating to the Mainland China market. Investments in Mainland China are more likely to be sensitive to significant changes in the political, social and economic landscape there. The Chinese economy has been in a state of transition over the last three decades from a planned economy to a more market-oriented economy, and is still subject to relatively more strict governmental regulation and control. Political changes, social instability and adverse diplomatic developments in Mainland China could result in the imposition of economic corrective measures that are less common in more developed economies. Investment in the Shanghai-Hong Kong and (if and when it becomes available, the Shenzhen-Hong Kong stock

connect programs) is subject to various risks associated with the legal and technical framework of such programs. In particular, the two-way stock trading link between Shanghai and Hong Kong is relatively new and the additional link between Shenzhen and Hong Kong is yet to be introduced, although top Mainland Chinese officials have recently pledged to try to establish such additional link within 2016.

Hong Kong's economy and hence its stock markets are increasing dependent on the Mainland China economy. On the other hand, the currency peg currently maintained by the Hong Kong government effectively fixes the Hong Kong dollars to the US dollars at about one US dollar to 7.8 Hong Kong dollars. This peg subjects Hong Kong's interest rate policy to that directed by the US Federal Reserve.

Possible Trade War with the U.S. In April 2018, the U.S. government began imposing tariffs on Chinese imports. China, in turn, retaliated with its own tariffs on U.S. imports. Currently (as of late September 2018), the U.S. had imposed tariffs on approximately \$250 billion of Chinese goods, and had threatened tariffs on an additional \$265 billion, and China had imposed tariffs on more than \$110 billion of U.S. goods. The trade dispute is still developing, and neither the U.S. nor China appear to be willing to compromise. If the trade dispute escalates into a trade war between the two countries, which could result in additional adverse economic effects, both to the Chinese and the U.S. markets, it is likely to negatively affect the investments of the Fund.

Item 9: Disciplinary Information

AAM and its supervised persons have not been involved in any legal or disciplinary events that are material to a client or potential client's evaluation of AAM's advisory business or the integrity of AAM's management.

A. Criminal or civil action
None

B. Administrative proceeding
None

C. Self-regulatory organization (SRO) proceeding
None

Item 10: Other Financial Industry Activities and Affiliations

A. Broker-Dealer or Registered Representative Status
Not applicable.

B. Futures Commission Merchant, Commodity Pool Operator, Commodity Trading Investment Manager or Associated Person Status

Not applicable.

C. Relationships with Other Financial Industry Participants

AAM's is under common ownership with related entities as disclosed in Item 4.

D. Recommending or Selecting Other Advisers

Not applicable.

Item 11: COE: Participation or Interest in Transactions, Personal Trading

A. Code of Ethics & Personal Trading

Pursuant to Rule 204A-1 of the Investment Adviser's Act of 1940, AAM has adopted a Code of Ethics that establishes various procedures with respect to investment transactions in accounts in which AAM personnel have a beneficial interest or accounts over which an employee has investment discretion and requires them to comply with federal securities laws and report any violations of the Code of Ethics. The Code of Ethics also addresses insider trading, personal trading and household member conflicts, personal disclosures regarding legal and regulatory matters and confidentiality.

AAM's Code of Ethics is reviewed annually and circulated at least annually to all personnel, each of whom at least annually must certify in writing that he or she has received and followed the Code of Ethics and any amendments thereto.

AAM's Code of Ethics is available upon request.

B. Participation or Interest in Client Transactions

Entities owned by the Firm or affiliated with the Firm act as general partners or in a similar capacity to private investment funds which the Firm may recommend to clients. Each of the General Partners are under common ownership with AAM. Payments and distributions to AAM must be in accordance with the governing documents of the funds. AAM establishes and sponsors private funds structured as limited partnerships. Each private fund is managed in accordance with its own operating documents and offering memorandum or prospectus. The Firm as a fiduciary is obligated by law to manage each client's assets, including funds sponsored by the Firm or for which a Firm's affiliate acts as general partner, in a fair and equitable manner; making sure that all clients are treated equally.

None of AAM's Supervised Persons (as defined in the Code) may knowingly sell to or buy any security from a Client without prior written permission from the Chief Compliance Officer ("CCO") or the CCO's designee. Additionally, all Access Persons (as defined in the Code, and which includes Supervised Persons meeting certain further criteria) must submit quarterly transactions reports detailing personal securities transactions. Such reports will be reviewed by the CCO or the CCO's designee to ensure compliance with the Code of Ethics.

C. Investments in Securities Recommended to Clients

AAM's Supervised Persons are specifically prohibited from using their knowledge about pending transactions or investments currently being considered for personal profit, including by purchasing or selling such securities directly or indirectly. To facilitate compliance with this policy, the CCO or the CCO's designee shall maintain and circulate a Restricted Securities List. Further, all Access Persons (as defined in the Code, and which includes Supervised Persons meeting certain further criteria) who maintain Personal Securities Accounts must submit quarterly transactions reports detailing personal securities transactions. Such reports will be reviewed by the CCO or the CCO's designee to ensure compliance with the Code.

D. Investment in Securities at or about the Same Time Recommended to Clients

Except as set forth in B. above, AAM and its related persons do not recommend to clients, or buy or sell for client accounts, any securities that AAM or its related person buys or sells for themselves at or about the same time as the investment by AAM clients.

Item 12: Brokerage Practices

A. Selecting or Recommending Broker-Dealers

AAM has no obligation to deal with any broker or dealer in the execution of transactions in Fund securities. In selecting broker-dealers with whom to place orders for purchases and sales on behalf of the Funds, AAM considers the ability to obtain favourable pricing, prompt and efficient execution at competitive rates, the brokers' facilities, reliability and financial responsibility and the provision of brokerage or research services.

When securities transactions for the Funds and Accounts are executed through brokers, such brokers will be selected by AAM in its sole discretion and without the consent of any Fund or Account. In placing portfolio transactions, AAM will seek to obtain the best execution for the Fund or Account, taking into account, among others, the following factors:

- historical net prices (after markups, markdowns and other transaction-related compensation);
- transacting party's execution, clearance and settlement and error correction capabilities generally and in connection with securities of the type and in the amounts to be bought or sold;
- the transacting party's willingness to commit capital;
- the transacting party's reliability and financial stability;
- the size of the transaction;
- the availability of securities to borrow for short sales;
- the market for the security; and
- the nature, quantity and quality of research and other services and products provided by the transacting party.

AAM is not required to select the transacting party that charges the lowest transaction cost, even if that transacting party can provide execution quality comparable to other transacting parties. Funds and Accounts at times may pay more than the lowest transaction cost available in order to obtain for itself and/or AAM services and products other than the execution of securities transactions.

B. Research and other Soft Dollar Benefits

AAM may purchase from a broker or allow a broker to pay for the following (each a “soft dollar” relationship):

- Traditional research reports analyzing the performance of a company or stock;
- Financial newsletters and trade journals;
- Quantitative analytical software and software that provides analyses of securities portfolios,
- Seminars and conferences; and
- Other services

AAM may pay to a broker commissions that exceed those that another broker might charge for effecting the same transaction because of the value of the brokerage, research, other services and soft dollar relationships that such broker provides. AAM determines in good faith that such compensation is reasonable in relation to the value of such services in terms of the specific transaction or AAM’s overall duty to its clients. AAM will take into account that it would otherwise have to provide, or acquire at its own expense, such soft dollar services for the Funds. AAM believes that such soft dollar services may provide the Funds with benefits by supplementing the research and services otherwise available to the Funds.

AAM’s relationships with brokers that provide soft dollar services may influence AAM’s judgement and create conflicts of interest in allocating brokerage business between firms that provide soft dollar services and those that do not. AAM may have an incentive to select a broker based on AAM interest in receiving soft dollar services rather than the Funds’ interest in receiving the most favourable execution.

AAM has addressed these conflicts by annually reviewing the trade execution services that AAM receives from the brokers it uses to execute trades for the Funds. AAM considers the quality of execution services, the value of continuing with soft dollar services amongst other factors in making decisions to add or remove brokers and the appropriate level of commission rates.

C. Brokerage for Client Referrals

AAM may place transactions with a broker or dealer that (i) provides AAM with the opportunity to participate in capital introduction events sponsored by the broker-dealer or (ii) refers prospective shareholders to a Fund or other products advised by AAM (or an affiliate).

D. Directed Brokerage

AAM does not accept clients who require it to execute transactions through a specified broker dealer.

E. Aggregation

AAM may aggregate securities sale and purchase orders for a Fund with similar orders being made for Funds that AAM manages. In addition to considerations of equity, aggregation avoids placing competing orders, improves order management and may, because of larger order size, permit some degree of price improvement relative to a series of individually placed orders. AAM may aggregate Funds' orders for execution where it believes it is in the best interest of Funds to do so.

Item 13: Review of Accounts

A. Review of Accounts

AAM, as the Investment Manager of each Fund, monitors the Portfolio of each Fund on an ongoing and quarterly basis.

B. Reporting

Investors in the Funds receive audited financial statements and quarterly unaudited accounts for the particular Fund(s) in which they are invested.

Item 14: Client Referrals and Other Compensation

A. Compensation from Third Parties

Not applicable.

B. Solicitors.

AAM does not currently utilize any third-party marketers or solicitors for client referrals.

Item 15: Custody

AAM does not provide custodial services to the Funds. However, AAM, through its affiliate General Partners, has custody of the assets of each Fund under Rule 206(4)-2 of the Advisers Act.

Investors in the Funds will receive audited financial statements for the particular Fund(s) in which they are invested within 120 days of the fiscal year end.

Item 16: Investment Discretion

AAM has discretionary investment authority to manage the Funds pursuant to the investment management agreement between AAM, the General Partners, and the Funds.

Item 17: Voting Client Securities

AAM has proxy voting authority with respect to any security the Funds invest in.

AAM votes securities held by the Fund in the best interests of the Fund. AAM also has the flexibility to abstain from a proxy vote when it determines that abstention is in the best interests of the Fund. In determining whether a proposal serves the best interest of a Fund, AAM will have discretion with regards to the Proxy Voting Policy. If a material conflict arises, AAM will follow the procedures in the Proxy Voting Policy.

Investors may obtain a copy of the policy and a record of the votes cast by contacting the CCO.

Item 18: Financial Information

There is no financial condition of AAM that is reasonably likely to impair AAM ability to meet contractual commitments to clients.

A. Financial disclosures

Not applicable.

B. Material financial impairment

Not applicable.

C. Bankruptcy petitions

Not applicable.

Privacy Policy

The Firm is committed to maintaining the confidentiality, integrity and security of its clients' and Investors' personal information. It is the Firm's policy to collect only information necessary or relevant to its management business and use only legitimate means to collect such information. The Firm does not disclose any non-public personal information about our clients or Investors to anyone except for servicing and processing transactions and as required by law. The Firm restricts access to non-public personal information about its clients and Investors to those employees with a legitimate business need for the information. The Firm maintains security practices, physical, electronic, and procedural safeguards to guard each

client's and Investor's non-public personal information. On an annual basis or upon request, the Firm will provide a copy of its written privacy policy and procedures.