



1. ITEM 1

This brochure provides information about the qualifications and business practices of Quaero Capital SA. If you have any questions about the contents of this brochure, please contact us at info@quaerocapital.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the "SEC") or by any state securities authority.

Additional information about Quaero Capital SA also is available on the SEC's website at www.adviserinfo.sec.gov. An investment adviser's registration with the SEC does not imply a certain level of skill or training.

2. ITEM 2 -- MATERIAL CHANGES

Item 2 is not applicable to Quaero Capital SA.

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4. ITEM 4 – ADVISORY BUSINESS

A. General Description of Advisory Firm

Quaero Capital SA ("Quaero") is an investment management firm located in Switzerland. Quaero was established as a limited company (*société anonyme*) under the laws of Switzerland on 22 April 2005, company number CH-660-0921005-4. Quaero is authorised and regulated by the Swiss Financial Market Supervisory Authority ("FINMA") as an investment manager of collective investment schemes. Quaero was founded with the aim of creating a specialist asset management firm dedicated to institutional and professional clients.

Quaero has advisory affiliates in Paris, Quaero Capital (France) SAS, entity registered as an Alternative Investment Fund Manager ("AIFM") with the French Market Authority and in London, Quaero Capital LLP, regulated by the UK Financial Conduct Authority as an AIFM (each an "Advisory Affiliate"). In addition, Quaero has non-advisory affiliates in Luxembourg, Quaero Capital (Luxembourg) SA and an affiliate in Hong Kong, Quaero Capital (Asia) Ltd.

Quaero is 100% employee-owned and no single employee owns more than 20% of the company. In addition, key staff have been given the opportunity to purchase non-voting participation shares of Quaero.

B. Type of Advisory Services

Quaero primarily offers fundamental research driven investment advisory services to professional and institutional investors. Quaero runs a number of investment strategies, each using its own original approach.

Currently, the investment strategies offered by Quaero are:

- European Small Capitalization Equities;
- Thematic Equities Strategies;
- Regional Equity Strategy;
- European Equity Long Short Strategy;
- Multi-Assets; and
- Infrastructure.

Please see Item 8, "Methods of Analysis, Investment Strategies and Risk of Loss" for more information on the investment strategies offered.

Quaero's investment strategies are primarily available to clients through pooled investment funds incorporated in Europe that are segregated into separate sub-funds (each sub-fund a "Quaero Fund" and, collectively, the "Quaero Funds"). This Brochure describes only those Quaero Funds that have been or are being offered to U.S. investors, or that Quaero expects to offer to U.S. investors.

Quaero may serve as a sub-adviser with discretionary trading authority to third party funds (each a "Third Party Fund"). As used herein, the term "client" or "Fund" generally refers to each Quaero Fund and each Third-Party Fund.

Quaero provides investment management services to its clients in accordance with the organizational document(s) of such client or separate investment and advisory, investment management or portfolio management agreements (each, an "Advisory Agreement"). Investment restrictions for a client, if any, are generally established in the organizational or offering documents of the applicable client and/or Advisory Agreements (such documents collectively, a client's "Organizational Documents").

Quaero may delegate management of a Quaero Fund to a sub-adviser, in accordance with the terms of such Organization Documents.

C. Wrap Fee Programs

Quaero does not participate in wrap fee programs.

D. Assets under Management

Quaero had discretionary assets under management for all clients as of September 30, 2018 of U.S. \$ 1,098,734,054.

5. ITEM 5 – FEES AND COMPENSATION

A. Management Fees

Quaero charges each Quaero Fund a management fee payable monthly in arrears (ranging between 0.55 and 2.25 percent annually) and may also charge a performance fee (see Item 6, below). The precise amount of, and the manner and calculation of, the management fees and/or performance fees for each Quaero Fund are set forth in such Quaero Fund's Advisory Agreement and are described in each Quaero Fund's prospectus.

Such fees are non-negotiable, however Quaero and/or certain Quaero Funds may enter into arrangements with one or more investors in such Quaero Fund to the effect that they will rebate all or a portion of their fees to such investor(s), each time subject to applicable regulatory requirements. In addition, subject to the approval of the Quaero Fund, Quaero may enter into arrangements whereby it agrees that part of its fees will be redirected to one or more entities, such as business introducers, as payment for services that they have provided to or for the benefit of the Quaero Fund. In such cases no additional costs are borne by shareholders.

Quaero may also delegate certain management responsibilities to sub-advisers that may be affiliates of Quaero and, in such cases, will compensate such sub-adviser out of Quaero's own profits at no additional cost to shareholders.

The fees applicable to each Third Party Fund are set forth in detail in each Third Party Fund's sub-investment management agreement. All fees for Third Party Funds are subject to negotiation and established pursuant to each Third Party Fund's investment management agreement. Generally, the sub-investment management agreements are terminable upon receipt by either party from the other of prior written notice of termination and after the expiration of the specified notice period.

B. Payment of Management Fees

Fees are deducted from the assets of the relevant Quaero Fund and typically computed on a regular basis by the administrator of the applicable Quaero Fund and paid to Quaero by the Quaero Fund's administrator as specified in the governing Advisory Agreement. Quaero cannot automatically deduct fees from client accounts.

C. Other Fees

Quaero also charges certain Quaero Funds a flat percentage fee which covers all fees and expenses incurred in the day-to-day operation, administration and servicing of such Quaero Fund(s) in relation to the following: (i) marketing and promotion expenses; (ii) advertising; (iii) costs relating to the publication of prices; (iv) distribution of semi-annual and annual reports and other reporting expenses; (v) publication and mailing of notifications and reports to Shareholders or any other type of communication to Shareholders, regulatory authorities or service providers.

An initial fee of up to 5 percent of the subscribed amount may be payable by subscribers of certain classes of shares a Quaero Fund. The initial fee will be payable to the extent that the fees and expenses of global distributors, sub-distributors or other intermediaries need to be met, if not waived by the directors of the applicable fund. In addition, redemption fees may be charged under certain circumstances, including transfers from one class of a fund's shares to another class. This fee will be payable to the global distributor, sub-distributors, intermediaries or to the relevant Quaero Fund. The Board of Directors of each Quaero Fund reserves the right to waive all or part of such redemption fee at its sole discretion.

Quaero's fees are exclusive of brokerage commissions, transaction fees, and other related transaction costs and expenses which shall be incurred by the client. Clients may incur certain charges imposed by custodians, brokers and other third parties, as described in each Quaero Fund's prospectus. See, Item 12 'Brokerage Practices.'

D. Compensation For the Sale of Securities

Certain employees of Quaero have in place profit sharing arrangements, pursuant to which they receive a variable remuneration based on the fees payable to Quaero with respect investors in the Quaero Funds introduced by such employee. These profit-sharing arrangements are paid for by Quaero and do not impact shareholder expenses. A remuneration policy has been established to address any conflicts of interests which may arise from such fee sharing arrangements.

6. ITEM 6 – PERFORMANCE BASED-FEES AND SIDE-BY-SIDE MANAGEMENT

Quaero charges certain clients a performance fee, calculated in arrears on the performance growth of the assets attributable to such client. The performance fee is calculated as a flat percentage (between 5 to 15 percent) of either the growth of such client's assets, or the performance of the Quaero Fund or Third-Party Fund over its specified performance benchmark.

To the extent that Quaero also manages accounts that charge only management fees, Quaero may have a conflict of interest in that an account with a performance-based fee will offer the potential for higher profitability when compared to an account with only a management fee. Performance-based fee arrangements may create an incentive for Quaero to recommend investments which may be riskier or more speculative than those which would be recommended under a different fee arrangement. Performance-based fee arrangements may also create an incentive to favour higher fee-paying accounts over other accounts in the devotion of time and resources and the allocation of investment opportunities. Quaero addresses such conflicts through its policies and procedures incorporated in its Compliance Manual and Employee Handbook and its oversight processes and, in particular, addresses this potential conflict primarily via trade allocation procedures.

These procedures establish rules for the formulation and subsequent aggregation and allocation of trades that are reasonably designed to ensure fair and equitable treatment of Quaero's clients over time. (See Items 11, 12 and 13.)

7. ITEM 7– TYPE OF CLIENTS

Quaero offers its services primarily to Quaero Funds and Third-Party Funds, all of which are pooled investment vehicles, as described in Item 4. However, Quaero has currently no managed account clients but may offer advisory services to managed accounts in the future. Investors in Quaero Funds and Third-Party Funds may include individuals, banking or institutions, family offices, pension funds, private banks, pooled investment vehicles (such as hedge funds), high net worth individuals, corporations and other business entities, and state or municipal government entities. Certain employees of Quaero and its affiliates invest in one or more of the Quaero Funds.

U.S. persons must be qualified purchasers, within the meaning of Section 2(a)(51) of the Investment Company Act of 1940, as amended (the "1940 Act") and qualified institutional buyers, within the meaning of Rule 144A under the Securities Act of 1933, as amended (the "Securities Act") in order to invest in Quaero Funds.

The Quaero Funds require investors to make representations concerning investors' eligibility, sophistication, awareness of the inherent risks and ability to bear the risk of loss of their entire investment. The Quaero Funds reserve the right to reject any investor application.

Certain classes of certain Quaero Funds are be subject to minimum investment amounts, which are set forth in the respective Quaero Fund's offering documents.

8. ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

A. Methods of Analysis.

Quaero employs various methods of securities analysis, including charting, cyclical, fundamental, technical, macro-economic and quantitative investment modelling.

Sources of information include relevant publicly filed financial and reporting documents, such as annual and periodic reports and other filings with regulators and exchanges, investment

conferences, interviews with company managements, participation in public phone calls held by companies for investors and analysts, review of relevant trade journals, industry publications, investment banking and other investment industry research reports, industry trade conferences and other events, company press releases and websites, internal and external assessments, analysis of general and specific events and other sources of material deemed relevant.

B. Investment Strategies

The principal investment strategies which are pursued by Quaero Funds and Third Party Funds are outlined below. Additional information regarding the methods of analysis and these investment strategies is included in the prospectus or other offering documentation for the applicable Quaero Funds and Third Party Funds. Quaero may use one or more strategies for a client, as disclosed in such client's prospectus.

European Small Capitalization Equities

This strategy aims at maximizing long term capital growth by investing primarily in a portfolio of micro and small capitalization in European companies, having a promising outlook and judged to be undervalued. The geographical universe of the strategy is specified in the applicable client's documentation and varies from Western Europe including Switzerland to Eastern/"New" Europe investments.

Thematic Equities Strategies

Quaero's thematic equities strategies are as follows:

- A Global infrastructure strategy which seeks to achieve inflation protection, earning dividends on its investments as well as uncorrelated returns by investing in companies that are involved in or have substantial exposure to global real estate assets. The strategy seeks exposure to companies which are globally diversified (commercial premises, residential properties, industrial & logistic buildings, shopping centres and retail premises, office buildings, hospitals, senior care homes and hotels), global infrastructure assets which are globally diversified (toll roads, bridges, tunnels, ports, airports, rail, electricity transmission and distribution, wireless communication towers, broadcast satellites, cable networks, education facilities, healthcare projects, oil and gas pipelines and storage, water and waste water), forestry assets mostly located in North America (standing forests and forestry infrastructure), agricultural assets mostly in developed markets (productive farmland and agricultural infrastructure), precious metals and commodity related sectors
- A clean energy strategy which aims at maximizing total return by responsible investments globally along the clean energy value chain. The strategy provides access to a large and diverse set of industries via an active, long only listed equities strategy offering daily liquidity. The strategy invests in a concentrated portfolio of best in class clean energy generation, technology,

transmission and efficiency companies while incorporating environmental, social and governance ("ESG") criteria as part of the investment process.

Regional Equity Strategy

- A World Opportunities strategy that seeks to achieve superior absolute returns as well as superior risk-adjusted returns by investing in, but not limited to, equities. Pursuant to this strategy, Quaero invests in American, International, and Global Depository Receipts (ADR's/IDR's/GDR's) of companies which are listed on regulated markets.
- An equities strategy that focuses on emerging markets in Asia. Actively managed, the strategy aims to generate consistent returns by investing in a portfolio of Asian and emerging market companies that will benefit from the emergence and growth of domestic consumption. The investment strategy uses both top down asset allocation and bottom up analysis to build a concentrated portfolio. The investment team identifies growth themes across the investment universe and researches and invests in companies in specific sectors which it believes will benefit from these growth themes. The portfolio management team focuses on original research and maintains a disciplined investment process, paying particular attention to corporate governance and ESG principles. The strategy aims to have low turnover and a strong risk management framework in order to deliver consistent and repeatable returns for investors.

European Equity Long Short Strategy

The objective of the European Equities Long / Short strategy is to generate equity-like returns over the long term whilst limiting losses over the medium term. To reach this objective, we aim to profit from pockets of market inefficiencies in European equity markets through the application of a systematic investment process. More specifically, we carry out a European, all-cap, value-driven, "quantamental", equity strategy, which follows a transparent and disciplined investment process, subdivided into three main elements: a pure bottom-up stock picking procedure, a robust concentrated portfolio construction procedure and a dynamic market risk mitigation procedure. The core idea of the approach is to combine valuation indicators with price and outlook momentum indicators.

Multi-Assets

Quaero offers four multi-asset strategies, the global strategies and the yield opportunities strategies.

The multi-asset strategies each offer a specific risk return profile – conservative, balanced and dynamic – to cater for investors' specific investment profile. The mixed assets strategies aim at achieving their return objectives by investing in other UCITS or UCIS, equities and equity related securities (including but not limited to ADR, GDR, convertible bonds, reverse convertible bonds); and/or debt securities of any type (government and corporate) of Investment Grade rating including money market instruments. The asset allocation is the result of

Quaero's global economic forecasts and funds are selected using both quantitative filters and a qualitative research process. Each of these strategies are available in several currencies.

The Yield Opportunities strategy invests in assets with attractive risk-adjusted yields across Bond and Equity asset classes on a worldwide basis and aims to achieve consistent risk-adjusted returns with low volatility over the long term. Using a macro overlay, Quaero invests in yield opportunities it believes to be undervalued and currently subject to concurring positive macroeconomic changes. The portfolio construction is the result of individual securities selections and is not managed by reference to any benchmark. Quaero applies a rigorous capital allocation and risk control by monitoring overall exposure to FX, rate and credit spread.

In addition to the above, Quaero has developed an expertise in finance projects for small to mid-size infrastructure projects in Europe. Such strategy is currently not offered to U.S. investors. Quaero's Advisory Affiliates may also offer strategies which are not listed above.

C. Principal Investment Risks.

No method of securities analysis outlined above will necessarily result in a particular investment result or outcome; the use of investment tools cannot guarantee investment performance. Quaero's methods of analysis involve inherent risk that any valuations, pricing inefficiencies or other opportunities identified may not materialize or have the anticipated impact. Prices of securities may not react as expected or predicted. Each method of analysis relies in varying degrees on external information which presents the risk that analysis may be compromised by inaccurate, incomplete, false, biased or misleading information. Securities prices may be affected by various factors, such as overall market movement or natural disasters, independent of the methodology used to select securities. Certain analytical techniques involve the use of mathematical models that are based on assumptions that may prove incorrect, unreasonable or incomplete.

In addition, Quaero's investment strategies involve various material risks, as outlined in the summary below. Certain risks may not apply to all strategies or apply to a material degree. Investors must read the prospectus and related material for further information on the risks associated with a particular investment in a Quaero Fund or Third Party Fund (each a "Fund" or "Funds").

Equity Market Risk: Equities securities are exposed to stock market fluctuations risks that may cause their prices to fluctuate over time. Historically the equity markets have moved in cycles and the value of a specific strategy's securities may fluctuate substantially from day to day, and during other periods of time.

Small and Mid.- Cap Securities. There are certain risks associated with investing in small cap stocks and the securities of small companies. The market prices of these securities may be more volatile than those of larger companies. Because small companies normally have fewer shares outstanding than larger companies it may be more difficult to buy and sell significant amounts of shares without affecting market prices. There is typically less publicly available information about these companies than for larger companies. The lower capitalisation of these companies and the fact that small companies may have smaller product lines and command a smaller

market share than larger companies may make them more vulnerable to fluctuation in the economic cycle.

Fixed Income Securities Risk. Fixed income securities include traditional debt securities issues by corporations, special purpose vehicles and government entities, such as bonds, notes and debentures, and debt securities that are convertible into common stock and interests. The market value of fixed-income securities is sensitive to changes in interest rates. In general, when interest rates rise, the fixed-income security's market value declines and when interest rates decline, its value rises. Normally, the longer the remaining maturity of a security, the greater the effect of interest rate changes on the market value of the security. Fixed income securities are subject to the credit risk of the issuer. Changes in the ability of an issuer to make payments of interest and principal and in the market's perception of an issuer's creditworthiness affect the market value of the fixed-income securities of that issuer. Fixed-income securities may also be subject to yield-curve risk. When the yield curve shifts, the price of a bond, which was initially priced based on the initial yield curve, will change. Keeping the duration of the bond portfolio relatively short reduces yield curve risk. Fixed-income securities may also be subject to call risk. When interest rates are low, issuers will often repay the obligation underlying a "callable security" early, in which case the proceeds may have to be reinvested in an investment offering a lower yield, thereby losing the benefit that otherwise might have resulted in an increased value in the called security due to declining interest rates. Fixed-income securities are subject to inflation risk, liquidity risk and reinvestment risk. Inflation may erode the purchasing power of the cash flows generated by fixed income securities. Fixed-rate debt securities are more susceptible to inflation risk than floating-rate debt securities. Liquidity risk means that certain fixed-income securities may be difficult to sell at the time and price desired. Reinvestment risk occurs when the interest income or principal payments from debt securities is reinvested at interest rates that have declined. A decline in income may affect overall return.

Derivatives Risk: While the prudent use of financial derivative instruments can be beneficial, derivatives also involve risks different from, and, in certain cases, greater than, the risks presented by more traditional investments. The following is a general discussion of important risk factors and issues concerning the use of derivatives that investors should understand before investing in a Fund.

Market Risk. This is a general risk that applies to all investments meaning that the value of a particular derivative may change in a way which may be detrimental to a Fund's interests. Some derivatives do experience more extreme volatility than others and that volatility may further impact the value of a Fund's portfolio.

Control and monitoring. Derivative products are highly specialised instruments that require investment techniques and risk analysis different from those associated with equity and fixed-income securities. The use of derivative techniques requires an understanding not only of the underlying assets of the derivative but also of the derivative itself, without the benefit of observing the performance of the derivative under all possible market conditions. In particular, the use and complexity of derivatives require the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a derivative adds to a Fund and the ability to forecast the relative price, interest rate or currency rate movements correctly.

Liquidity Risk. Liquidity risk exists when a particular instrument is difficult to purchase or sell. If a derivative transaction is particularly large or if the relevant market is illiquid, it may not be possible to initiate a transaction or liquidate a position at an advantageous price (however, Quaero will only enter into over-the-counter ("OTC") derivatives if it is allowed to liquidate such transactions at any time at fair value).

Counterparty Risk. A Fund may enter into transactions in OTC markets, which will expose the Funds to the credit of its counterparties and their ability to satisfy the terms of such contracts. For example, a Fund may enter into swap arrangements or other derivative techniques which exposes the Fund to the risk that the counterparty may default on its obligations to perform under the relevant contract. In the event of a bankruptcy or insolvency of a counterparty, a Fund could experience delays in liquidating the position and significant losses, including declines in the value of its investment during the period in which Quaero seeks to enforce its rights, inability to realise any gains on its investment during such period and fees and expenses incurred in enforcing its rights. There is also a possibility that the above agreements and derivative techniques are terminated due, for instance, to bankruptcy, supervening illegality or change in the tax or accounting laws relative to those at the time the agreement was originated. However, this risk is limited in view of the investment restrictions laid down for each Fund.

Other Risks. Other risks in using derivatives include the risk of differing valuations of derivatives arising out of different permitted valuation methods and the inability of derivatives to correlate perfectly with underlying securities, rates and indices. Many derivatives, in particular OTC Derivatives, are complex and often valued subjectively and the valuation can only be provided by a limited number of market professionals which often are acting as counterparties to the transaction to be valued. Inaccurate valuations can result in increased cash payment requirements to counterparties or a loss of value to a Fund. However, this risk is limited as the valuation method used to value OTC Derivatives must be verifiable by an independent auditor.

Derivatives do not always perfectly or even highly correlate or track the value of the securities, rates or indices they are designed to track. Consequently, a Fund's use of derivative techniques may not always be an effective means of, and sometimes could be counterproductive to, following a Fund's investment objective.

Commodity Related Risk: Investing in commodity-linked derivative instruments may subject a portfolio to greater volatility than investments in traditional securities. The value of commodity-linked derivative instruments may be affected by changes in overall market movements, commodity index volatility, changes in interest rates, or factors affecting a particular industry or commodity, such as drought, floods, weather, livestock disease, embargoes, tariffs and international economic, political and regulatory developments

Real Estate Industry. There are certain risks associated with the direct ownership of real estate and with the real estate industry in general. These risks include, among others: possible declines in the value of real estate; risks related to general and local economic conditions; possible lack of availability of mortgage funds; overbuilding; extended vacancies of properties; increases in competition, property taxes and operating expenses; changes in zoning laws; costs resulting from the clean-up of, and liability to third parties for damages resulting from, environmental problems; casualty or condemnation losses; uninsured damages from floods, earthquakes or

other natural disasters; limitations on and variation in rents and changes in interest rates. To the extent that assets underlying such investments are concentrated geographically, by property type or in certain other respects, a portfolio may be subject to certain of the foregoing risks to a greater extent.

Emerging Markets. In certain countries, there is the possibility of expropriation of assets, confiscatory taxation, political or social instability or diplomatic developments which could affect investment in those countries. There may be less publicly available information about certain financial instruments than some investors would find customary and entities in some countries may not be subject to accounting, auditing and financial reporting standards and requirements comparable to those to which certain investors may be accustomed. Certain financial markets, while generally growing in volume, have for the most part, substantially less volume than more developed markets, and securities of many companies are less liquid and their prices more volatile than securities of comparable companies in more sizeable markets. There are also varying levels of government supervision and regulation of exchanges, financial institutions and issuers in various countries. In addition, the manner in which foreign investors may invest in securities in certain countries, as well as limitations on such investments, may affect the investment operations in these countries.

Emerging country debt will be subject to high risk and will not be required to meet a minimum rating standard and may not be rated for creditworthiness by any internationally recognised credit rating organisation. The issuer or governmental authority that controls the repayment of an emerging country's debt may not be able or willing to repay the principal and/or interest when due in accordance with the terms of such debt. As a result of the foregoing, a government obligor may default on its obligations. If such an event occurs, the legal recourse against the issuer and/or guarantor may be limited. Remedies must, in some cases, be pursued in the courts of the defaulting party itself, and the ability of the holder of foreign government debt securities to obtain recourse may be subject to the political climate in the relevant country. In addition, no assurance can be given that the holders of commercial debt will not contest payments to the holders of other foreign government debt obligations in the event of default under their commercial bank loan agreements.

Settlement systems in emerging markets may be less well organised than in developed markets. Thus, there may be a risk that settlement may be delayed and that cash or securities may be in jeopardy because of failures or of defects in the systems. In particular, market practice may require that payment shall be made prior to receipt of the security which is being purchased or that delivery of a security must be made before payment is received. In such cases, default by a broker or bank (through whom the relevant transaction is effected might result in a loss.

Investments in Funds.

Fee structure. Investment in pooled investment funds[, including funds managed by Quaero or its affiliates ("Target Funds") incurs a pro rata portion of the fees paid by the Target Funds to their investment manager and advisors or other service providers. As a result the operating expenses may constitute a higher percentage of the Net Asset Value than could be found in other investment schemes. Further, some of the strategies employed at the level of the Target Funds may require frequent changes in trading

positions and a consequent portfolio turnover. This may involve brokerage commission expenses to exceed significantly those of other investment schemes of comparable size.

Inadvertent concentration. It is possible that a number of Target Funds might take substantial positions in the same security at the same time. This inadvertent concentration would interfere with the respective Fund's goal of diversification. The respective Fund will attempt to alleviate such inadvertent concentration as part of its regular monitoring and reallocation process. Conversely the respective Fund may at any given time, hold opposite positions, such position being taken by different Target Funds. Each such position shall result in transaction fees for the respective Fund without necessarily resulting in either a loss or a gain. Moreover, the respective Fund may proceed to a reallocation of assets between Target Funds and liquidate investments made in one or several of them. Finally, the respective Fund may also, at any time, select additional Target Funds. Such assets reallocations may impact negatively the performance of one or several of the Target Funds.

Reliance on managers and key personnel The Target Funds are selected on the basis of the personal investment methods of their managers. If, within an investment management firm, certain persons become unavailable, it is conceivable that no other person would be able to follow their positions. The respective Fund may have to liquidate the units or shares held in the relevant Target Funds in its best interest. The liquidation of such positions could result in losses.

Other activities of managers of Target Funds. Managers of Target Funds may currently manage other funds or accounts for the benefit of other clients and intend to increase the number of their management mandates. Such managers may potentially be in a position where they have to give, for other funds or accounts, orders similar to those given for the Target Funds the respective Fund is investing into. The performance of the investments of the respective Fund could be affected by the way orders are given and executed for all the funds and accounts managed by managers of Target Funds.

Concentration Risk. It is possible that a number of Target Funds might take substantial positions in the same security at the same time. This inadvertent concentration would interfere with the goal of diversification. Conversely a Fund may at any given time, indirectly hold opposite positions, such positions being taken by different Target Funds. Each such position shall result in transaction fees for the respective Fund without necessarily resulting in either a loss or a gain. Moreover, the respective Fund may proceed to a reallocation of assets between Target Funds and liquidate investments made in one or several of them. Finally, the respective Fund may also, at any time, select additional Target Funds. Such assets reallocations may impact negatively the performance of one or several of the Target Funds.

Currency Risk. Where shares of a Fund are available in a class which is denominated in a different currency from the currency in which the Fund is denominated, investors should note that the Net Asset Value of the Fund will be calculated in the Fund's reference currency and will be stated in the other currency by reference to the current exchange rate between the reference currency and such other currency. Fluctuations in that currency's exchange rate may affect the performance of the shares of that class independent of the performance of the Fund's investments. In normal circumstances the costs and expenses of currency exchange transactions in connection with the purchase, redemption and exchange of shares of that class will be borne by the relevant class and will be reflected in the Net Asset Value of that class. The costs and expenses incurred in hedging a specific class will be borne by that class alone.

Investors should note that inflows and outflows from non-reference currency classes may have a greater potential to impact the price of such shares due to the fluctuations in the relevant currency exchange rate.

Credit Risk. Funds investing in fixed-income securities are subject to the risk that issuers may not make payments on such securities. An issuer suffering an adverse change in its financial condition could lower the credit quality of a security, leading to greater price volatility of the security. A lowering of the credit rating of a security may also offset the security's liquidity. Funds investing in lower quality debt securities are more susceptible to these problems and their value may be more volatile.

Performance allocation and fees. Certain Funds provide for the right of Quaero or the sub-adviser (if any) to receive a Performance Fee or similar remuneration schemes. The fact that the remuneration is based on the performance of the relevant Fund may create an incentive for Quaero or the sub-adviser (if any) to cause the Fund to make investments that are more speculative than would be the case in the absence of performance-based compensation. However, such incentive may be tempered somewhat by the fact that losses will reduce the Fund's performance and thus Quaero's or the sub-adviser's (if any) performance fee or similar remuneration scheme.

Liquidity. Investors should note that there may be restrictions in connection with the subscription, holding and trading in the Shares. Such restrictions may have the effect of preventing the investor from freely subscribing, holding or transferring the Shares. In addition to the features described below, such restrictions may also be caused by specific requirements such as a Minimum Subscription Amount or due to the fact that certain Funds may be closed to additional subscriptions after the initial offer period.

Taxation. Shareholders should be aware that they may be required to pay income tax, withholding tax, capital gains tax, wealth tax, stamp taxes or any other kind of tax on distributions or deemed distributions of a Fund, capital gains within a Fund, whether or not realised, income received or accrued or deemed received within a Fund etc., and this will be according to the laws and practices of the country where the shares are purchased, sold, held or redeemed and in the country of residence or nationality of the shareholder. Shareholders should be aware of the fact that they might have to pay taxes on income or deemed income received by or accrued within a Fund. Taxes might be calculated based on income received and/or deemed to be received and/or accrued in a Fund in relation to their direct investments, whereas the performance of a Fund, and subsequently the return shareholders receive after redemption of the shares, might partially or fully depend on the performance of underlying assets. This can have the effect that the investor has to pay taxes for income or/and a performance which he does not, or does not fully, receive. Shareholders who are in any doubt as to their tax position should consult their own independent tax advisers. In addition, shareholders should be aware that tax regulations and their application or interpretation by the relevant taxation authorities change from time to time. Accordingly, it is not possible to predict the precise tax treatment, which will apply at any given time.

Change of law. The Company must comply with regulatory constraints, such as a change in the laws affecting the investment restrictions and limits applicable to UCITS, which might require a change in the investment policy and objectives followed by a Fund.

Political factors. The performance of the Shares or the possibility to purchase, sell, or redeem may be affected by changes in general economic conditions and uncertainties such as political

developments, changes in government policies, the imposition of restrictions on the transfer of capital and changes in regulatory requirements.

Transaction costs. Where a Fund does not adjust its subscription and redemption prices by an amount representing the duties and charges associated with buying or selling underlying assets this will affect the performance of that Fund.

9. ITEM 9 – DISCIPLINARY INFORMATION

In December 2013, the German Federal Financial Supervisory Authority ("BAFIN") opened an investigation into Quaero for not properly disclosing thresholds with regards to holdings of listed stocks. This investigation was started at the request of Quaero upon learning that one of its service providers had not reflected the introduction of a new threshold with regards to shareholding disclosure in Germany. On October 2014, a fine of \$151,192 was ordered against Quaero by BAFIN and absorbed by Quaero. None of the listed companies have expressed any negative sentiment towards Quaero and, for the avoidance of doubt, neither Quaero nor the Quaero Funds gained any advantage due to the delayed notifications.

In December 2012, Mr. Thierry Callault, a member of the Board of Directors of a Quaero Fund and a shareholder of Quaero, who was at the time an employee of the French asset management company OFI Asset Management ("OFI") received a warning from the AMF, the Autorité des marchés financiers (i.e. the French financial markets regulatory body) and was fined Eur30,000 on 20 December 2012 for lack of diligence in investment and in monitoring funds, deficiencies in monitoring and compliance with regulatory requirements and conflicts of interest in relation to an investment made by one of OFI's fund of funds in three Madoff feeder funds.

10. ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

A. Affiliated Broker-Dealers

Quaero and its management persons are not registered as broker-dealers and do not have any application pending to register with the SEC as a broker-dealer or registered representative of a broker-dealer.

B. Affiliates Commodity Advisors

Quaero and its management persons are not registered as, and do not have any application to register as, futures commission merchants, commodity pool operators, commodity trading advisors or associated persons of the foregoing entities.

C. Other Affiliations and Conflicts of Interests

Quaero affiliated advisers, Quaero Capital (France) SAS and Quaero Capital LLP may sub-advise one or more Quaero Funds and may also direct investments into certain Quaero Funds.

Quaero Funds may also invest in portfolios or funds managed by affiliates of Quaero. In such cases, investors in the Quaero Fund indirectly bear fees associated with these underlying investments to an affiliate of Quaero in addition to the fees paid to the Quaero Fund. In addition

Quaero may recommend that investors in a Quaero Fund consider investing in other Quaero Funds in which Quaero and its affiliates have a financial interest by virtue of serving as investment manager. Although Quaero and its affiliates do not receive commissions for the sale of shares or interests of the Quaero Funds, Quaero acts as the distributor of certain funds managed by its affiliate Quaero Capital LLP and will receive remuneration in that respect. Quaero Capital LLP will also be remunerated if it introduces clients to Quaero.

Certain members of Quaero Capital have other activities which may take a substantial amount of their time, in addition to their activities at Quaero. All employees at Quaero must obtain pre-clearance from the Chief Compliance Officer (the "CCO") on their outside business-related activities.

Cristofer Gelli, Chairman of the company since its inception is also Chairman and co-founder of the Geneva-based wealth management company Gadd Infinum ("Gadd"). Although Cristofer devotes as much of his time to the activities of Quaero, his activities with Gadd could be viewed as creating a conflict of interest in that in that his time and effort will not be devoted exclusively to the business of the Quaero. Conflicts of interest could arise between Gadd and Quaero or its affiliates or the Quaero Funds, based on Mr. Gelli's interests in Quaero and in the Quaero Funds. Gadd clients may also be invested in the Quaero Funds.

In addition, two members of the investment management team at Quaero are also directors and managers at SingAlliance (Switzerland SA) an asset manager also regulated by the FINMA. Their time and efforts are not devoted exclusively to the business of Quaero Capital. Moreover, SingAlliance may offer investment funds which have the same investment universe as one of the Quaero Funds. This creates a conflict of interests as the two employees may have different employment terms, remuneration, status and incentive in the two companies and could give a preferential treatment to an activity over the other.

As discussed in Item 6, Quaero has established policies and procedures addressing the allocation of investment opportunities among its clients. It has obtained an undertaking from SingAlliance Switzerland SA as to the standard of the allocation of investment opportunities. In addition, in order to reduce any market manipulation risks, both firms have agreed to establish risk and compliance controls to monitor fair allocation.

Finally, Quaero's risk officer also works for Dominicé & Co., a FINMA regulated firm; his time and effort will not be devoted exclusively to the business of Quaero.

D. Material Non-Public Information

Quaero and other investment managers regularly obtain confidential information regarding various target companies and other investment opportunities. By reason of their responsibilities in connection with their activities for, for example, Gadd and SingAlliance (the "Other Advisers"), certain personnel of the Other Advisers may acquire material non-public information or other confidential information or be restricted from initiating transactions in certain securities especially with respect to publicly traded securities, and as a result, the Other Advisers will not be free to act upon any such information.

11. ITEM 11 – CODE OF ETHICS, PARTICIPATION OR INTERESTS IN CLIENTS TRANSACTIONS AND PERSONAL TRADING

A. Code of Ethics (the "Code") as required under Rule 204A-1 of the Advisers Act.

The Code is incorporated within the Quaero Compliance Manual. The Compliance Manual includes detailed requirements, policies and procedures required by the FINMA, the primary regulator of Quaero, in addition to policies and procedures required under the Advisers Act. The Code establishes policies and procedures, as well as reporting requirements, for all Quaero employees with respect to professional conduct and personal trading while in possession of confidential or inside information.

All employees are considered "Access Persons" under Rule 204A and must provide written acknowledgement to Quaero that they have read and understood the Code. Employees are periodically required to submit securities holdings reports, transactions reports, and transaction pre-clearance requests to the CCO.

The Code places restrictions on personal trades by employees, including that they disclose their personal securities holdings and transactions to Quaero on a periodic basis, and requires that employees pre-clear certain types of personal securities transactions.

Generally, and subject to certain exceptions, Quaero's employees may not engage in personal securities trading without prior pre-clearance of the CCO. However, transactions in certain Exempt Financial Instruments do not require pre-clearance (Money market instruments and funds not managed by Quaero). Some clients may invest in the same money market instruments or similar mutual funds and ETFs.

Quaero will provide a copy of the Code of Ethics to any current or prospective client or any Quaero Fund current or prospective shareholder upon request to info@quaerocapital.com.

The material conflicts of interest encountered by a client include those discussed below, although the discussion below does not necessarily describe all of the conflicts that may be faced by a client. Other conflicts may be disclosed throughout this brochure and the brochure should be read in its entirety for other conflicts. Our policies and procedures are intended to identify these and other potential conflicts and to assure that in all instances client interests come first.

B. Conflicts of Interest

Quaero and its related entities engage in a broad range of activities, including investment activities for their own account and for the account of other investment funds, and providing transaction-related, investment advisory, management and other services to funds and operating companies. In the ordinary course of conducting its activities, the interests of a Quaero's clients will, from time to time, conflict with the interests of Quaero, other Quaero Funds and Third Party Funds or their respective affiliates. Certain of these conflicts of interest, as well a description of how Quaero addresses such conflicts of interest, can be found below.

Investing in Securities that Quaero or a Related Person Recommends to Clients

Quaero and its affiliates and its employees may give advice or take action for their own accounts that may differ from, conflict with or be adverse to advice given or action taken for clients. These activities may adversely affect the prices and availability of other securities or instruments held by or potentially considered for one or more clients. Potential conflicts also may arise due to the fact that Quaero and its personnel may have investments in some clients but not in others or may have different levels of investments in the various Funds.

Quaero 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, as described above, and regular monitoring of employee transactions and trading patterns for actual or perceived conflicts of interest, including those conflicts that may arise as a result of personal trades in the same or similar securities made at or about the same time as client trades.

Securities in which Quaero or a Related Person has a Material Financial Interest

Cross Trades

Quaero may determine that it would be in the best interests of certain clients to transfer a security from one client to another (each such transfer, a "Cross Trade") for a variety of reasons, including, without limitation, tax purposes, liquidity purposes, to rebalance the portfolios of the clients, or to reduce transaction costs that may arise in an open market transaction. Cross trades present a conflict of interest because Quaero represents the interests of both the selling account and the buying account in the same transaction and may have a financial incentive to favour one client over the other due to different fee arrangements or other factors. Quaero has put in place a cross-trade compliance policy to mitigate risk and ensure fair allocation of opportunities between the clients.

If Quaero decides to engage in a Cross Trade, Quaero will take steps to ensure that the transaction is consistent with the duty to obtain best execution for each of those clients. Quaero generally executes Cross Trades with the assistance of a broker-dealer who executes and books the transaction at the close of the market on the day of the transaction. Alternatively, a Cross Trade between two clients may occur as an "internal cross", where Quaero instructs the custodian for the clients to book the transaction at the price determined in accordance with Quaero's valuation policy. If Quaero effects an internal cross, Quaero will not receive any fee in connection with the completion of the transaction. All Cross Trades are approved by the Chief Risk Officer.

Principal Transactions

Quaero is not permitted to deal as principal; therefore, it cannot buy an investment from a client, sell an investment to a client or share in an aggregated transaction for a client.

Conflicts of Interest Created by Contemporaneous Trading – Trade Allocation

Quaero manages investments on behalf of a number of clients. Certain clients have investment programs that are similar to or overlap and may, therefore, participate with each other in investments. It is the policy of Quaero to allocate investment opportunities among all clients fairly, to the extent practical and in accordance with each client's applicable investment

strategies and Quaeros' policies and procedures with respect to allocation and aggregation, over a period of time.

This means that such opportunities will generally be allocated among those accounts for which participation in the respective opportunity is considered appropriate, taking into account, among other considerations (a) whether the risk-return profile of the proposed investment is consistent with the account's objectives; (b) the potential for the proposed investment to create an imbalance in the account's portfolio; (c) liquidity requirements; (d) potentially adverse tax consequences; (e) regulatory restrictions that would or could limit an account's ability to participate in a proposed investment; and (f) the need to re-size risk in the account's portfolio. Such considerations may result in allocations among different clients on other than a *pari passu* basis. In certain circumstances, investment opportunities will be allocated solely to the client, fund or account with respect to which the opportunity has been generated.

Co-Investors

If Quaero determines that a co-investment partner makes sense for a particular client investment, subject to such client's offering materials, Quaero may make such investment opportunity available to third parties, including other clients of Quaero and its affiliates, third-party sponsors and other investors. Such co-investors may or may not pay management, performance, or other fees to Quaero or its affiliates in respect to such investment and may receive a different allocation of expenses.

12. ITEM 12 – BROKERAGE PRACTICES

A. Broker Selection.

For each client, Quaero has discretion over the purchase and sale of investments (including the size of such transactions) and the broker or dealer, if any, to be used to effect transactions. Quaero has delegated the ability to execute orders with respect to clients to depositaries (each a "Depositary"), subject to oversight by Quaero. Quaero may, however, from time to time recommend, request or require the Depositary to execute orders through a specific broker-dealer.

Each client has a list of approved brokers that the Depositary may, unless otherwise instructed by Quaero, use for transactions, with the discretion to choose a broker from the list. Quaero's risk department performs best execution review for each broker regularly and may challenge the use of a broker or brokers.

A number of factors are considered for the selection of brokers with the goal being best execution of orders. Quaero will take into account, for example; price, costs (implicit and explicit), size, speed, likelihood of execution, likelihood and timeliness of settlement, the nature of the order, conflict of interests in trading with the counterparty, willingness of the trading counterparty to use its balance sheet to trade, ability to retain anonymity in the market, and prevention of information leakage, and all these factors as a whole.

B. Soft Dollars

Quaero does not receive research or other products or services other than execution from a broker-dealer or a third party in connection with client securities transactions ("Soft Dollar Benefits").

C. Brokerage for Client Referrals

Occasionally, broker-dealers that are on our approved list of counterparties for trading may also operate as a consultant and offer advisory services relating to client referral. Quaero does not, however, consider such factors in the selection of that broker-dealer for trading client transactions.

D. Client-directed brokerage

Quaero does not have any client-directed brokerage arrangements.

E. Trade Orders and Allocation of Investment Opportunities

Quaero is not obligated to buy, sell or recommend for a Client any security or other investment that may be bought, sold or recommended for any other Clients. Comparable client orders are carried out sequentially and promptly unless the characteristics of the order or prevailing market conditions make this impracticable or the interest of the client require otherwise. Generally, all actual allocations by a PM/PM Group must be made on the exact same basis as the intended allocation recorded on the dealing ticket.

Transactions are generally not traded on an aggregated basis. If portfolio managers decide that it would be in the best interests of clients to engage in aggregated transactions (for example, because larger transactions may enable them to obtain better overall prices, including lower commission costs or mark-ups or mark-downs), the following policies and procedures generally apply:

1. Transactions must not be aggregated unless it is likely that aggregation will not disadvantage any clients whose transactions are being aggregated bearing in mind the likely volumes of stock available and the effect this may have on the price of orders, and clients have been advised that the effect of aggregation may work to their disadvantage in relation to specific orders.
2. The intended basis of allocation must be documented prior to placing an aggregated order.
3. Aggregated orders completed within 24 hours of instruction (or upon expiry of the "indication of interest" period) must be allocated at the average price achieved, in line with the intended basis of allocation. Variances from this must be documented.
4. Where aggregated orders are not wholly filled (e.g., illiquid stocks, IPOs) and the amounts of stocks are too small to be allocated pro-rata (with the intended basis of allocation), they must be allocated on a demonstrably fair basis by the portfolio managers who must record the basis of the allocation on the dealing ticket. Subject to 5 below, this must be documented on a case by case basis with reference to the client's

investment objectives and investment strategy, ii) likely future liquidity of the stock; and iii) likely administrative costs relating to small holdings.

5. Where a Quaero Fund has agreed to a de minimis holding value with its Board of Directors, below which it is unlikely to be interested in holding a partial allocation, it is not necessary to document further the reasons the portfolio manager has decided transactions below that amount have not been allocated to it. Trades and allocations are reviewed by the Risk, Operations, and Compliance departments as well as the Risk Committee that meets monthly and Valuation Committee that meets at least on a quarterly basis.

F. Trade Errors

On occasion, Quaero may make an error in executing securities transactions or in complying with a client's guidelines – for example, by buying a position where we intended to sell it, or by purchasing an ineligible security for an account. Quaero has adopted policies and procedures for identifying and correcting trade errors.

13. ITEM 13 – REVIEW OF ACCOUNTS

A. Account Review.

Portfolio management personnel continually monitor investment portfolios and individual securities and securities positions as part of the ongoing investment process.

Quaero reviews and monitors all client accounts internally on an ongoing basis, as follows:

1. The Operations department reviews accounts on a daily basis to ensure all positions are accounted for and trades are entered appropriately. Daily checks are also conducted by an independent third party.
2. The Risk department conducts various weekly, monthly, quarterly and annual reviews to ensure compliance with Quaero's allocation, best execution, market abuse and other trading and compliance policies.
3. Risk personnel conduct daily overviews of accounts for portfolio and investment risk with formal reviews on a monthly basis by the Risk Committee.
4. Trades and allocations are reviewed by the Risk, Operations and Compliance departments as well as the Risk Committee that meets monthly, and the Valuation Committee that meets on at least a quarterly basis.
5. Unusual situations and market conditions, or specific issues or problems may cause special reviews by Risk, Operations, Compliance and the Investment departments.

B. Account Statements.

Investors in each Quaero Funds receive a monthly newsletter incorporating financial and performance information, semi-annual unaudited financial statements and written audited annual reports as set forth in the prospectus. Certain investors may receive certain additional information upon requests.

14. ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION

Quaero does not receive economic benefits from non-clients for providing investment advice and other advisory services. Quaero may compensate agents who refer investors to the Quaero Funds; such compensation is paid only in cash and may be paid by way of management fee rebates.

15. ITEM 15 – CUSTODY

Quaero does not have custody over the clients assets.

16. ITEM 16 – INVESTMENT DISCRETION

Quaero has full investment discretion to manage the assets of each client under the terms of the applicable client investment management agreement, prospectus and related documents, subject to review by the board of each fund.

Quaero has full authority to determine the securities to be bought or sold and the commission rates paid. Purchases and sales must be suitable for the particular fund under its investment objective, strategies and any restrictions.

17. ITEM 17 – VOTING CLIENT SECURITIES

Quaero views proxy voting as an integral part of its investment management responsibilities. It is Quaero's policy to vote all proxies in the best interests of the relevant client.

Quaero has established a series of principles to be applied by Portfolio Managers when exercising voting rights attached to securities within the funds.

These principles are as follows:

- to act in the best interest of the funds;
- to act independently from any conflict of interest relating to the security being voted;
- to ensure voting rights are exercised in accordance with the portfolio's objectives and investment policies
- to take into account any costs associated with voting

In addition to the above, Quaero has established proxy voting guidelines taking into account corporate governance and corporate responsibility issues.

Each portfolio manager with voting authority is required to disclose any material conflicts between his or her interest and that of the applicable client. Possible examples are a material business, personal or family relationship with senior personnel of a portfolio company or a material arrangement with such a company. Disclosure is made to the Chief Compliance Officer who jointly determine the manner in which proxies should be voted.

Quaero maintains records of each proxy executed and the reasons behind each voting decision if such decision was inconsistent with the Voting Guidelines and a record of each proxy abstained and the reason behind the abstention. Once a year, a report is prepared to the Management Committee detailing voting undertaken by Quaero, highlighting the % of votes

completed, as well as when and why votes have been taken against board recommendation and/or Voting Guidelines.

Said report is being made available to clients upon request.

18. ITEM 18 – FINANCIAL INFORMATION

Quaero is not required to include a balance sheet for its most recent fiscal year. Quaero has never filed for bankruptcy and is not aware of any financial condition that is expected to affect its ability to carry out its business.