

Capula Investment US LP

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Brochure

March 31, 2019

This Brochure provides information about the qualifications and business practices of Capula Investment US LP (the "Firm"). If you have any questions about the contents of this Brochure, please contact us at +1 (203) 542 2400 or email iabramov@capulaglobal.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.

The Firm is an investment adviser registered with the SEC. Registration with the SEC does not imply that the Firm or its staff possess a certain level of skill or training.

Additional information about the Firm is also available on the SEC's website at www.adviserinfo.sec.gov.

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Item 2: Material Changes

This item discusses only material changes since the last annual update of the Firm's Brochure filed on March 30, 2018. Various items in this Brochure were revised to add a new Cayman-established fund client and a new separately managed account client with respect to which the Firm now provides discretionary investment advisory services. The Firm has also updated and expanded disclosures in Item 12 relating to the Firm's use of directed brokerage and investment research payments.

This Brochure will be updated on an annual basis and any material changes to it will be identified in this section.

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Item 4: Advisory Business

The Firm is a limited partnership, formed under the laws of the State of Delaware and established in business in May 2010. The Firm's principal place of business is in Greenwich, Connecticut. The Firm also conducts certain investment advisory activities at its office in New York, NY. The general partner of the Firm is Capula Management US LLC ("CMUS"), a Delaware limited liability company. CMUS is a wholly-owned subsidiary of Capula Management Limited ("CML" or the "Manager"), a company incorporated under Cayman Islands company law and an affiliate of the Firm. CML and its subsidiaries are referred to herein as the "Capula group".

The Firm is led by a senior investment professional, Piyush Bharti, who is based at the Firm's Greenwich, CT office and supported by a trading and strategy team. A senior investment professional, David Sobotka, who is based in the Firm's New York office, supports Mr. Bharti with respect to the supervision of the Firm's New York office. The Firm currently provides discretionary investment advisory services for the Capula group in the United States in respect of a portion of the assets (the "GRV Account") of Capula Global Relative Value Master Fund Limited (the "GRV Master Fund"), a portion of the assets (the "TRF Account") of Capula Tail Risk Master Fund Limited ("TR Master Fund"), a portion of the assets (the "EFI Account") of Capula Enhanced Fixed Income Master Fund Limited (the "EFI Master Fund"), and a portion of the assets ("Managed Account") of an unaffiliated non-US separately managed account client (the "SMA"). Each of the TR Master Fund, the GRV Master Fund and the EFI Master Fund (each, a "Master Fund", and collectively, the "Master Funds") is an exempted company incorporated with limited liability in the Cayman Islands that operates as the master fund within a master-feeder structure. The Master Funds and the SMA (collectively, "Clients", and each, a "Client") are the Firm's only clients. The TR Account, the GRV Account, the EFI Account and the Managed Account are referred to herein, each, as a "Client Account", and collectively, as the "Client Accounts". The GRV Master Fund and its feeder funds are collectively referred to herein as the "GRV Fund"; the TR Master Fund and its feeder funds are collectively referred to herein as the "TR Fund", and the EFI Master Fund and its feeder fund are collectively referred to herein as the "EFI Fund". The GRV Fund, the TR Fund and the EFI Fund are referred to herein, each, as a "Fund" and collectively, as the "Funds".

Each Fund has appointed CML as its manager. Pursuant to an investment management agreement, CML has appointed Capula Investment Management LLP ("CIM"), a limited liability partnership established under the laws of England and Wales and an affiliate of the Firm, to act as investment manager for each Fund. Pursuant to a separate investment management agreement (the "SMA IMA"), the beneficial owner of the SMA has appointed CIM to act as investment manager to the SMA. The Firm is an affiliate of CIM, which is an Exempt Reporting Adviser with the SEC, a commodity pool operator registered with the Commodity Futures Trading Commission ("CFTC") and a member of the National Futures Association ("NFA"), and is authorized and regulated by the Financial Conduct Authority ("FCA") in the United Kingdom. Pursuant to an investment advisory agreement (the "IAA"), CIM has appointed the Firm to act as investment adviser on a discretionary basis in relation to the Client Accounts.

CML wholly owns CMUS. CML is controlled by Yan Huo. Yan Huo and 20 other current Capula group principals – one of whom are management persons of the Firm – own 74% of each of CML and CIM. Three external, strategic investors are invested, directly or indirectly, in both CML and CIM: Affiliated Managers Group, Inc., The Dai-ichi Life Insurance Company Limited and Tokai Tokyo Financial Holdings Inc. These external investors have passive investments in CML and CIM with no investment management rights and no board or management representation.

The Firm may utilize the research, operational, risk management, information technology and other capabilities of CIM in providing services to its clients.

Types of Advisory Business

The Firm is a specialist fixed income investment adviser that employs a combination of relative value, macro, tail risk and volatility strategies that primarily seek to benefit from pricing anomalies in the government bond, government bond futures, interest rate swap, currency and major exchange-traded derivatives markets.

The Firm provides discretionary advisory services to the Clients in respect of their respective Client Accounts. The Firm actively manages the Client Accounts, using a combination of relative value, macro, tail risk and volatility strategies. The Firm trades in a proprietary trading style with a short term orientation. In employing its investment strategies on behalf of the Client Accounts, the Firm seeks to structure a diversified investment portfolio, subject to pre-defined limits. The Firm invests primarily in the most liquid G7 markets. The Firm structures the Client Accounts' portfolios to comprise long and/or short positions. The Firm has the flexibility to move between strategies and markets as it perceives opportunities to arise and aims to profit from opportunities in financial assets in the major markets using a wide range of trading and investment instruments, including, but not limited to, debt securities and obligations (which may be below investment grade and rated or unrated), listed and unlisted equities, other collective investment schemes (which may be open-ended or closed-ended, listed or unlisted and/or may employ leverage), currencies, commodities, futures, options, warrants, swaps and other derivative instruments. Derivative instruments may be exchange-traded or over-the-counter. The Firm's investment approach for the GRV Master Fund and TRF Master Fund includes the use of significant leverage. The Firm's investment approach for other Clients may also include the use of leverage. The Firm uses risk control techniques to seek to protect the capital of each Client Account. The discretionary investment advisory services provided by the Firm to each Client are intended to comport with such Client's investment objectives, approach and restrictions, which are more fully described in the relevant Fund's offering documents and the SMA IMA, as applicable.

See Item 8 of this Brochure for further details regarding the Firm's investment strategies and methods of analysis.

In relation to each Fund, this Brochure refers to select information from the Fund's offering documents, but does not provide all the information which a prospective investor would require prior to making an investment in the Fund. Any potential investment in the relevant Fund should be evaluated solely on the basis of the information and representations contained in the Fund's offering and subscription documents. Where the context requires, certain disclosures herein relate solely to the relevant Fund's feeder funds.

This Brochure generally includes information about the Firm and its relationships with its affiliates and its clients. While much of this Brochure applies to all of the Firm's affiliates and clients, certain information included herein applies to a specific client or affiliate only. This Brochure does not constitute an offer to sell or solicitation of an offer to buy any securities. The securities of the Funds are offered and sold on a private placement basis under exemptions promulgated under the Securities Act of 1933, as amended (the "Securities Act"), and other exemptions of similar import under US state laws and the laws of other jurisdictions where any offering may be made. The securities of the Funds are generally offered on a private placement basis to (a) non-US Persons in accordance with Regulation S of the Securities Act, and subject to certain other conditions, which are fully set forth in the offering documents for the Fund and (b) on a private placement basis, pursuant to Section 3(c)(7) of the Investment Company Act of 1940, as amended (the "Investment Company Act"), to US Persons who are "accredited investors" as defined under the Securities Act and "qualified purchasers" as defined under the Investment Company Act, and subject to certain other conditions, which are set forth in the offering documents for the Funds. Persons reviewing this Brochure should not construe this as an offer to sell or solicitation of an offer to buy the securities of the Funds. Any such offer or solicitation will be made only by means of a confidential private placement memorandum.

Assets Under Management

As at December 31, 2018, the Firm managed on a discretionary basis US\$74,529.1 million in client assets, which represents the sum of a portion of each Client's gross asset value attributable to the Firm. Margining, cash management and foreign exchange hedging for each Client is conducted with respect to the Client's entire portfolio and cannot be attributed to any particular segregated portion thereof, such as the Client Account. Accordingly, the value of the Firm's discretionary client assets noted above is calculated by first determining the value of each Client Account's gross assets ("Account GAV") and then adding up the Account GAVs for all Client Accounts of the Firm. The Account GAV for each Client Account is calculated by first determining the percentage of the total net assets of the relevant Client's total net assets that is managed by the Firm and then multiplying the Client's total gross assets by such percentage.

Item 5: Fees and Compensation

Management Fees

In consideration of the investment advisory services it provides to the Clients, the Firm receives from CIM a service fee comprised of a portion of the management fees and performance-based fees payable by the Clients to CIM.

The service fee is paid to the Firm as follows: (a) with respect to each Fund, (i) the Fund pays management fees and performance-based fees to CML, as the manager of such Fund (except that, in the case of one of the feeder funds of the GRV Master Fund that is a Cayman limited partnership (the “GRV LP Feeder”), such fees are paid to Capula General Partner Limited (“CGPL”), as the general partner of the GRV LP Feeder and CGPL passes the management and performance-based fees it receives from the GRV LP Feeder to CML; (ii) CML passes the management and performance-based fees it receives from the Funds and CGPL to CIM; and (iii) CIM then pays a portion of the management and performance-based fees received from CML to the Firm as service fees, and (b) with respect to the SMA, (i) the SMA pays management fees and performance-based fees to CIM; and (ii) CIM then pays a portion of the management and performance-based fees received from the SMA to the Firm as service fees. Investors in the Funds and the beneficial owner of the SMA are not separately charged for the service fees paid by CIM to the Firm.

Management fees paid by each Fund (the “Fund Management Fees”) are based upon the NAV of the relevant class of the Fund during a specified calculation period, and management fees paid by the SMA (the “SMA Management Fees”) are based on the NAV of the SMA during a specified period. Service fees paid by CIM to the Firm are calculated in accordance with Capula group’s transfer pricing policy, taking into consideration the average value of the Client Accounts managed by the Firm during a specified calculation period, the appreciation of the asset value of the Client Accounts during such calculation period and the Firm’s operating expenses. As more fully described in the offering documents of each Fund, Fund Management Fees are calculated and deducted automatically from the Fund’s assets by the Fund’s external administrator, and, as more fully described in the SMA IMA, SMA Management Fees are calculated and deducted automatically from the SMA’s assets by the SMA’s external custodian.

Capula group’s staff and certain other related parties are not subject to management fees in connection with any investments they may have in the Fund’s management share classes. As more fully described in the offering documents of the relevant Fund, the Fund Management Fees in respect of the Fund range from 0% to 2% per annum depending on the terms of a particular class of interests for which an investor subscribes and are not negotiable. The Fund Management Fees are generally paid in arrears on a monthly basis.

The SMA Management Fees are calculated in accordance with the methodology and at a rate agreed to by CIM and the beneficial owner of the SMA in the SMA IMA. The SMA Management Fees are generally paid by the SMA in arrears on a quarterly basis.

Other Fees and Expenses

In addition to the fees described in this Item and in Item 6, each Fund incurs additional expenses in connection with its operations. Such expenses include, but are not limited to, the costs and expenses of brokerage commissions and other transaction expenses (*see also “Item 12: Brokerage Practices”*), research expenses, and administrative expenses, including, but not limited to, legal fees, fees payable to the relevant Fund’s administrator and legal, financial, tax and compliance advisers, and costs and expenses related to custodianship of the Fund’s assets. Details of such other fees, costs and expenses of the relevant Fund are set out in its offering documents.

The SMA also bears certain other fees, costs and expenses which are set forth in the SMA IMA.

The Firm does not act in any capacity as a broker-dealer, and accordingly, the Firm does not receive any compensation for acting as a broker-dealer.

Item 6: Performance-Based Fees

In consideration of the investment advisory services it provides to the Clients, the Firm receives from CIM a service fee comprised of a portion of the management fees and performance-based fees payable by the Clients to CIM. The process by which the Firm receives the service fee is detailed above under Item 5.

The performance-based fees paid by each Fund (the “Fund Performance Fees”) are based upon the appreciation of the NAV of the relevant class of the Fund during a specified calculation period, and the performance-based fees paid by the SMA (the “SMA Performance Fees”) are based upon the appreciation of the NAV of the SMA during a specified calculation period. Service fees paid by CIM to the Firm are based in part on the appreciation of the asset value of the each Client Account during a specified calculation period. As more fully described in the offering documents of each Fund, the Fund Performance Fees are calculated and deducted automatically from the Fund’s assets by the Fund’s external administrator, and, as more fully described in the SMA IMA, the SMA Performance Fees are calculated and deducted automatically from the SMA’s assets by the SMA’s external custodian.

Capula group’s staff and certain related parties are not subject to the Fund Performance-Fees in connection with any investments they may have in the Fund’s management share classes. As more fully described in the offering documents of the relevant Fund, the Fund Performance Fees are non-negotiable and range, for the feeder funds investing in the GRV Master Fund and in the TRF Master Fund, from 0% to 25% per annum and, for the feeder fund investing the EFL Master Fund, from 0% to 20%, in each case depending on the terms of a particular class of interests for which an investor subscribes, and certain classes are subject to high-water marks (*i.e.*, no performance fee becomes due unless the NAV exceeds the previous high point reached). The Fund Performance Fees are generally paid annually in arrears and are adjusted on a *pro rata* basis for partial calculation periods.

The SMA Performance Fees are calculated in accordance with the methodology and at a rate agreed to by CIM and the beneficial owner of the SMA in the SMA IMA. The SMA Performance Fees are generally paid by the SMA in arrears on an annual basis.

Conflicts of Interest. The existence and variation of performance-based fee structures within the Client Accounts 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 a performance-based compensation arrangement. The Firm believes that any potential conflicts of interest that arise in charging performance fees are mitigated because investment strategies for the Clients are developed and implemented by the Capula group investment committee without regard to fees, and according to an investment allocation policy designed to treat all client accounts fairly and equitably (*please see “Allocation and Aggregation” under Item 12*).

Item 7: Types of Clients

The Funds

As mentioned in Item 4 above, CIM has appointed the Firm to act as investment adviser in relation to certain funds and/or accounts for which CIM is investment manager. Currently the Firm provides discretionary investment advisory services in respect of the GRV Account, the TRF Account, the EFI Account and the Managed Account, which are comprised of a portion of the assets of the GRV Master Fund, the TR Master Fund, the EFI Master Fund and the SMA, respectively. The Master Funds and the beneficial owner of the SMA are currently the Firm's only clients.

Each Master Fund is an exempted company incorporated with limited liability in the Cayman Islands and operates as the master fund within a master-feeder structure. The feeder funds of the Master Funds are organized as corporate, limited partnership or trust entities, as the case may be, to accommodate different types of investors. The Funds contain a number of share, partnership interest or trust unit classes, as the case may be, the terms of which differ as to various matters, such as currency denomination, minimum subscription amounts, lock-up period, redemption terms and management and performance fees, among others. CIM, CML or the Funds may enter into agreements with investors in the relevant Fund ("Fund Investors"), providing Fund Investors with additional terms of investment ("side letters"). For example, side letters entered into with Fund Investors require, among other things, notification to the relevant Fund Investors of (i) significant changes or events that relate to the business of CIM or CML and/or (ii) the initiation of certain types of legal or disciplinary proceedings. Any Fund Investor may be granted preferential treatment in relation to the terms of its investment in the relevant Fund by the Fund, CIM, CML, and/or any other service provider to the Fund. The Funds are not registered under the Investment Company Act, and interests in the Funds may or may not be continuously offered. The Funds may create additional classes of interests, and a Fund, CIM, or CML, may enter into side letters with Fund Investor(s) of such Fund without notice to, or consent of, other Fund Investors of this Fund.

Minimum subscription amounts for the GRV Fund vary from US\$5 million to US\$50 million (and the equivalent in other currencies), depending on the class selected by a Fund Investor, or such lesser amount as the Directors of the GRV Fund may in any particular case determine. The minimum amount of subsequent subscriptions varies from US\$1 million to US\$5 million (and the equivalent in other currencies) depending on the class selected by a Fund Investor, or such lesser amount as the Directors of the GRV Fund may in any particular case determine. Investors in the GRV Fund may subscribe on the first business day of each calendar month. Redemptions may generally be made on the first business day of each calendar quarter either upon at least 45 calendar days' notice or upon at least 90 calendar days' notice to the GRV Fund's external administrator, depending on the class of the GRV Fund interests being redeemed, as more fully described in the offering documents of the GRV Fund. Certain Fund Investors of the GRV Fund are subject to "lock-up" periods of up to 36 months following their initial subscription.

Minimum subscription amounts for the TR Fund vary from US\$5 million to US\$50 million (and the equivalent in other currencies), depending on the class selected by a Fund Investor, or such lesser amount as the Directors of the TR Fund may in any particular case determine. The minimum amount of subsequent subscriptions varies from US\$1 million to US\$10 million (and the equivalent in other currencies) depending on the class selected by a Fund Investor, or such lesser amount as the Directors of the TR Fund may in any particular case determine. Investors may subscribe on the first business day of each calendar month. Redemptions may generally be made on the first business day of each calendar month upon at least 45 calendar days' notice to the TR Fund's external administrator, as more fully described in the offering documents of the TR Fund.

Minimum subscription amount for the EFI Fund is US\$100 million or such lesser amount as the Directors of the EFI Fund may in any particular case determine. The minimum amount of subsequent subscriptions is US\$50 million or such lesser amount as the Directors of the EFI Fund may in any particular case determine. Investors may subscribe on the first business day

of each calendar month. Redemptions may generally be made on the first business day of each week upon at least 10 business days' notice to the EFI Fund's external administrator, as more fully described in the offering documents of the EFI Fund.

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

Methods of Analysis and Investment Strategies

The descriptions set forth in this Brochure of specific advisory services that the Firm offers to its clients, and investment strategies pursued and investments made by the Firm on behalf of its clients, should not be understood to limit in any way the Firm's investment activities. The Firm may offer any advisory services, engage in any investment strategy and make any investment, including those not described in this Brochure, that the Firm considers appropriate, subject to each client's investment objectives and guidelines. The investment strategies the Firm pursues are speculative and entail substantial risks. Investors should be prepared to bear a substantial loss of capital. There can be no assurance that the investment strategies the Firm pursues will enable the Fund's or the SMA's investment objectives to be achieved; and investment results may vary substantially over time and may vary between the respective feeder funds of the GRV Master Fund, the TR Master Fund and the EFI Master Fund.

The Firm is a specialist fixed income investment adviser that employs a combination of relative value, macro, tail risk and volatility strategies that primarily seek to benefit from pricing anomalies in the government bond, government bond futures, interest rate swap, currency and major exchange-traded derivatives markets.

The Firm provides discretionary advisory services to the Clients in respect of their respective Client Accounts. The Firm actively manages the Client Accounts, using a combination of relative value, macro, tail risk and volatility strategies. The Firm trades in a proprietary trading style with a short term orientation. The Firm's investment approach with respect to these strategies primarily involves the use of both fundamental and technical analysis when selecting trades for the Client Accounts. Such trade selection process involves a top-down and bottom-up assessment of political, economic, regulatory, demographic and other pertinent changes affecting the capital markets, and is further augmented by a quantitative and qualitative examination of the technical factors which lead to trading opportunities. In employing its investment strategies on behalf of the Client Accounts, the Firm seeks to structure a diversified relative value and macro portfolio, subject to pre-defined limits and invests primarily in the most liquid G-7 markets. The Firm structures each Client's portfolios to comprise long and/or short positions. The Firm has the flexibility to move between strategies and markets as opportunities arise and aims to profit from opportunities using a wide range of trading and investment instruments, including, but not limited to, debt securities and obligations (which may be below investment grade and rated or unrated), listed and unlisted equities, other collective investment schemes (which may be open-ended or closed-ended, listed or unlisted, and/or may employ leverage), currencies, commodities, futures, options, warrants, swaps and other derivative instruments. Derivative instruments may be exchange-traded or over-the-counter.

The Firm's investment approach for each of the Master Funds includes the use of significant leverage as appropriate given market liquidity conditions prevailing, while using risk control techniques to seek to protect the Master Fund's capital. Capula group's preferred measure of leverage is the percentage of the Master Fund's assets that is unencumbered. Capula group has an unencumbered cash limit in place which has the effect of limiting the amount of leverage that can be employed in each Master Fund. Capula group seeks to keep at least 50% of each Master Fund's capital as unencumbered cash. Additionally, margining terms (for futures and swaps) have been implemented in line with industry standards and include cross product netting agreements with multiple prime brokers and counterparties. As part of the daily analysis of liquidity requirements for each Master Fund, Capula group prepares a stress analysis for potential increases in margin requirements across financing counterparties, which is used to determine the Master Fund's financing requirements and capacity and to make any necessary adjustment daily. In addition, Capula group's enterprise risk committee, chaired by the chief risk officer, reviews the unencumbered cash limit for each Master Fund and reviews the counterparty risk with each of the Master Fund's brokers/counterparties. Any negotiated terms or counterparty agreements that are in the process of being agreed are also reviewed by the enterprise risk committee.

Each Client's investment objectives, strategies, and restrictions, are described in more detail in such Client's offering documents or investment management agreement, as applicable.

Material, Significant or Unusual Risks Relating to the Firm's Investment Strategies

The investment strategies the Firm pursues are speculative and entail substantial risks. Investors should be prepared to bear a substantial loss of capital. There can be no assurance that the investment strategies the Firm pursues will enable the Clients' respective investment objectives to be achieved; and investment results may vary substantially over time. An investment in the relevant Fund or a managed account is not intended to be a complete investment program for any investor. Prospective investors should carefully consider whether an investment in the relevant Fund or a managed account is suitable for them in light of their circumstances and financial resources.

Prospective investors should carefully consider the risks of an investment in the relevant Fund or managed account, as applicable, which include, without limitation, those set forth below which are also described in the relevant Fund's offering documents or the managed account's investment management agreement, as applicable. These risk factors include only those risks the Firm believes to be material, significant or unusual and relate to particular investment strategies or methods of analysis employed by the Firm and do not purport to be a complete list or explanation of the risks involved in an investment in the relevant Fund or managed account, as applicable. Please note that prospective investors in the relevant Fund or managed account, as applicable should read and carefully consider the full description of risk factors contained in the Fund's offering documents or the managed account's investment management agreement, as applicable.

Each Fund's offering documents and the SMA IMA, as applicable, set out at length for the benefit of investors and potential investors a number of risk factors involved in any investment in such Fund or the SMA. Each Fund's offering documents also state that if any reader of the offering documents is in any doubt about the contents of the document, they should consult their stockbroker, accountant or other professional adviser. As the Firm's strategies develop and change over time, an investment in the relevant Fund or the SMA, as applicable, may be subject to additional and different risk factors. The Firm will promptly amend this Brochure if and when any information regarding its investment risks and strategies becomes materially inaccurate.

Both current and prospective investors are warned in each Fund's offering documents to consider, among others, the risk factors listed in this Brochure. These risk factors are described in full in the relevant Fund's offering documents and reflect risks involved in the investment strategies pursued by the Firm in relation to such Fund. Other risks relating to the investment strategies pursued by the Firm include, without limitation, quantitative strategies and trading; reliance on technology/coding errors; reliance on data and computer systems risks.

The SMA IMA and/or other written disclosure documents (collectively with the Fund's offering documents, the "Disclosure Documents") provided to the beneficial owner of the SMA set out at length a number of risk factors associated with the investment strategy pursued by CIM and its affiliates for the SMA.

Availability of Investment Strategies

The success of the relevant Master Fund's investment activities depends on the ability of the Firm and its Advisory Affiliates (as that term is defined below in Item 10) to identify overvalued and undervalued investment opportunities and to exploit price discrepancies in the financial markets, as well as to assess the import of news and events that may affect the financial markets. Identification and exploitation of the investment strategies to be pursued by the relevant Master Fund involves a high degree of uncertainty. No assurance can be given that the Firm and/or any Advisory Affiliate will be able to locate suitable investment opportunities in which to deploy all of the relevant Master Fund's assets or to exploit discrepancies in the securities and derivatives markets. A reduction in market liquidity or the pricing inefficiency of

the markets in which the relevant Master Fund will seek to invest, as well as other market factors, will reduce the scope for the relevant Master Fund's investment strategies.

The relevant Master Fund may be adversely affected by unforeseen events involving such matters as changes in interest rates or the credit status of an issuer, forced redemptions of securities or acquisition proposals, break-up of planned mergers, unexpected changes in relative value, short squeezes, inability to short stock or changes in tax treatment.

Borrowing

The relevant Master Fund may use borrowings for the purpose of making investments and/or meeting redemptions. The use of borrowing creates special risks and may significantly increase the relevant Fund's investment risk. Borrowing creates an opportunity for greater yield and total return but, at the same time, will increase the Fund's exposure to capital risk and interest costs. Any investment income and gains earned on investments made through the use of borrowings that are in excess of the interest costs associated therewith may cause the net asset value of the relevant Fund's shares, units or partnership interests (collectively, "Shares"), as applicable, to increase more rapidly than would otherwise be the case. Conversely, where the associated interest costs are greater than such income and gains, the net asset value of the Shares may decrease more rapidly than would otherwise be the case.

Brexit and the European Union

In an advisory referendum held in June 2016, the United Kingdom electorate voted to leave the European Union. On March 29, 2017, the Government of the United Kingdom formally notified the European Union that it will leave the European Union. Following this notification, there is now a period of up to two years (which may be further extended by agreement) of exit negotiations before the United Kingdom leaves. The future economic and political relationship between the United Kingdom and the European Union (and between the United Kingdom and other countries) is uncertain, and a period of economic and political uncertainty is expected in the United Kingdom, in the rest of the European Union and globally. The result of the United Kingdom's referendum has caused severe currency movements and volatility in global markets, and is likely to continue to do so as events develop. The United Kingdom's exit from the European Union is expected to result in regulatory changes, which may be adverse to the Firm and its Advisory Affiliates. The ultimate nature and extent of the impact of these events on the relevant Fund, the Firm and its Advisory Affiliates are uncertain, but may be significant.

Other member states of the European Union may also reconsider their European Union membership. This could result in one or more other countries leaving the European Union, or in major reforms or other changes being made to the European Union or to the Eurozone. The nature and extent of the impact of any such changes on the relevant Fund, and the Firm and its Advisory Affiliates are uncertain, but may be significant.

Business Risk

There can be no assurance that the relevant Fund will achieve its investment objective. The investment results of the relevant Fund will be reliant upon the success of the Firm and its Advisory Affiliates.

The Fund competes with other hedge funds and market participants such as public or private investment funds (including funds managed now and in the future by the Firm and/or its Advisory Affiliates), and the proprietary desks of investment banks for investment opportunities. The number of such hedge funds and market participants and the scale of the assets managed by such entities may increase. Such competitors may be larger and have greater financial, technical and marketing resources than are available to the relevant Fund or they may have a lower cost of capital and access to funds in sources that are not available to the Fund, which may create competitive disadvantages with respect to investment opportunities. The net effect of these developments may be to reduce the opportunities available for the Firm and its Advisory Affiliates to generate returns and/or reduce the quantum of these returns. Historic opportunities for some or all hedge fund strategies may be eroded over time whilst structural

and/or cyclical factors may reduce investment opportunities for the Firm and its Advisory Affiliates temporarily or permanently reducing the potential returns of the relevant Fund.

Concentration of Investments

Each feeder fund of the relevant Fund invests all of its assets (to the extent not retained in cash) in the ordinary shares of the relevant Master Fund and accordingly is not diversified. Although it is the policy of the relevant Master Fund to diversify its investment portfolio, the relevant Master Fund may at certain times hold relatively few investments. The relevant Master Fund could be subject to significant losses if it holds a large position in a particular investment that declines in value or is otherwise adversely affected, including default of the issuer.

Counterparty and Related Risks – Prime Brokers and Custodians

The Fund is subject to a number of risks relating to the insolvency, administration, liquidation or other formal protection from creditors (“Insolvency”) of a prime broker or a custodian providing prime brokerage and/or custody services to the relevant Master Fund. These risks include without limitation: the loss of all cash held with the relevant prime broker or custodian which is not segregated as a result of being treated as client money subject to the protections conferred by the FCA Rules or segregated or protected by the rules of any other regulatory authority (“client money”); the loss of all cash which the relevant prime broker or custodian has failed to treat as client money in accordance with procedures (if any) agreed in respect of the relevant Master Fund; the loss of all securities in respect of which the relevant prime broker or custodian has exercised its contractual rights to borrow, lend, take legal and beneficial ownership of or otherwise use for its own purposes (“rights of use”) whether exercised in compliance with or in breach of any agreed limits on such rights of use; the loss of some or all of any securities held (or which the prime broker or custodian should have been holding) in custody (“custody assets”) or client money held by or with the relevant prime broker or custodian in connection with a reduction to pay for administrative costs of the Insolvency and/or the process of identifying and transferring the relevant custody assets and/or client money or for other reasons according to the particular circumstances of the Insolvency; losses of some or all assets due to the incorrect operation of the prime brokerage, custody or cash accounts by the relevant prime broker or custodian; and losses caused by prolonged delays in receiving transfers of balances and regaining control over the relevant assets. In addition, where the relevant Master Fund’s securities are held in the name of a prime broker or custodian, in the event of the Insolvency of a prime broker or custodian such securities may not be as well protected as they would be if they were held in the name of the relevant Master Fund.

The Fund is subject to similar risks in the event of insolvency of any sub-custodian with which any relevant securities are held or of any third party bank with which client money is held.

An insolvency would be likely to cause severe disruption to the trading of the relevant Master Fund. In some circumstances, this could cause the relevant Fund’s directors to declare a temporary suspension of net asset value calculations with respect to the Fund or to one or more Share classes, during which time affected Shares would neither be issued nor redeemed.

Counterparty Risk – Other Counterparties

The relevant Fund is also subject to the risk of the inability of any counterparty other than the relevant Master Fund’s prime brokers and custodians to perform with respect to transactions, whether due to insolvency, bankruptcy or other causes. In addition, in certain circumstances, assets of the relevant Fund utilized in support of trading activities engaged in by the Fund with a counterparty may be deposited with or otherwise held by another third party. In such circumstances, the assets of the relevant Fund are also subject to the risk of such third party failing to perform its obligations in respect of transactions whether due to insolvency, bankruptcy or other causes.

Credit Default Swaps

The relevant Master Fund may take long and short positions in credit default swaps. A credit default swap is a type of credit derivative which allows one party (the “protection buyer”) to transfer credit risk of a reference entity (the “reference entity”) to one or more other parties (the “protection seller”). The protection buyer pays a periodic fee to the protection seller in return for protection against the occurrence of a number of events (each a “credit event”) which may be experienced by the reference entity. Credit default swaps carry specific risks including, but not limited to, high levels of leverage, the possibility that premiums are paid for credit default swaps which expire worthless, wide bid/offer spreads and documentation risks. In addition, there can be no assurance that the counterparty to a credit default swap will be able to fulfil its obligations to the relevant Master Fund if a credit event occurs in respect of the reference entity. In certain instances of issuer defaults or restructurings (for those credit default swaps for which restructuring is specified as a credit event), it has been unclear under the standard industry documentation for credit default swaps whether or not a credit event triggering the seller's payment obligation had occurred. The creation of the ISDA Credit Derivatives Determination Committee (the “Determinations Committee”) in 2009 and the publishing of the Auction Settlement CDS Protocol were intended to reduce this uncertainty and create uniformity across the market for credit default swaps. Market-wide cash settlement protocols applicable to all market-standard credit derivatives have helped to reduce settlement risks by providing that the Determinations Committee both establish an auction to determine a settlement price and identify the deliverable securities for purposes of the auction, although the Determinations Committee may in certain limited circumstances refrain from doing so. In the event the Determinations Committee cannot reach a timely resolution with respect to a credit event or otherwise does not establish a cash settlement auction, there is the risk that the buyer may not be able to realize the full value of the credit default swap. See also discussion under “Risk Factors – OTC Transactions”.

Cross Class Liabilities

Although the constitutional documents of the relevant Fund require the establishment of separate class accounts for each Share class and series of Shares and for each class and/or series of ordinary shares in the relevant Master Fund and the attribution of assets and liabilities to the relevant class account, if the liabilities of a Class and/or series of Shares or class and/or series of ordinary shares in the relevant Master Fund (including any liabilities relating to currency hedging transactions or index replication transactions) exceed its assets, creditors of the relevant Fund may have recourse to the assets attributable to the other classes and/or series of Shares of the Fund's feeder funds or the Fund's Master Fund.

Currency Exposure

The ordinary shares of the relevant Master Fund are denominated in various currencies and are issued and redeemed in those currencies. Certain of the assets of the relevant Master Fund may, however, be invested in securities and other investments which are denominated in other currencies and in other financial instruments the prices of which are determined by reference to such other currencies. The relevant Master Fund, however, values its investments and other assets in US Dollars. Accordingly, the value of such assets may be affected favorably or unfavorably by fluctuations in currency rates. The relevant Master Fund may seek to hedge its foreign currency exposure (including through the use of OTC derivatives) but will necessarily be subject to foreign exchange risks. To the extent unhedged, the value of the relevant Master Fund's net assets fluctuates with the US Dollar exchange rate as well as with price changes of the relevant Master Fund's investments in the various local markets and currencies. Further, the Shares are denominated in various currencies and are issued and redeemed in those currencies. See also discussion under “Risk Factors – OTC Transactions”.

Many emerging markets have underdeveloped capital market structures where the risks associated with holding currency are significantly greater than in other markets. Currency exchange rates are volatile and subject to event risks, as the political situation with regard to the relevant foreign government may itself be volatile. It should also be noted that, in volatile markets, predictions of correlation based on historical data can diverge dramatically from observed market moves.

CIM seeks to hedge the foreign exchange exposure of the assets of the relevant Fund attributable to the Fund's Shares denominated in non-US Dollar currencies with the aim of minimizing the impact of fluctuations in the exchange rate of such currencies relative to the US Dollar on the net asset value per Share of such Shares. Prospective investors whose assets and liabilities are predominately in other currencies should take into account the potential risk of loss arising from fluctuations in value between the currency in which the relevant Share class is denominated and such other currencies. There can be no assurance that such currency hedges will be successful or will not themselves generate significant losses to the Fund.

Cybersecurity Risk

The Fund, the relevant Master Fund, and/or one or more of their respective service providers, including CML, CIM and the Firm may be prone to operational, information security and related risks resulting from failures of or breaches in cybersecurity.

A failure of or breach in cybersecurity ("cyber incidents") refers to both intentional and unintentional events that may cause the relevant party to lose proprietary information, suffer data corruption, or lose operational capacity. In general, cyber incidents can result from deliberate attacks ("cyber attacks") or unintentional events. Cyber attacks include, but are not limited to, gaining unauthorized access to digital systems (e.g., through "hacking" or malicious software coding) for purposes of misappropriating assets or sensitive information, corrupting data, or causing operational disruption. Cyber attacks may also be carried out in a manner that does not require gaining unauthorized access, such as causing denial-of-service attacks on websites (i.e., efforts to make network services unavailable to intended users). The issuers of securities and/or counterparties to other financial instruments in which the relevant Master Fund may invest may also be prone to cyber incidents.

Cyber incidents may cause disruption and impact business operations, potentially resulting in financial losses, interference with the ability to calculate the Fund's and/or the relevant Master Fund's net asset value, impediments to trading, the inability of Shareholders to subscribe for, exchange or redeem Shares, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs. In addition, substantial costs may be incurred in order to prevent any cyber incidents in the future which may adversely impact the Fund and/or the relevant Master Fund.

While CML, CIM, the Firm and their respective affiliates have established business continuity plans in the event of, and risk management strategies, systems, policies and procedures to seek to prevent, cyber incidents, there are inherent limitations in such plans, strategies, systems, policies and procedures including the possibility that certain risks have not been identified. Furthermore, none of the Funds, the Master Funds, CML, CIM, the Firm and their respective affiliates can control the cybersecurity plans, strategies, systems, policies and procedures put in place by other service providers to the relevant Fund and/or the relevant Master Fund and/or the issuers in which the relevant Master Fund invests.

Debt Securities

The relevant Master Fund may invest in debt securities which may be unrated by a recognized credit-rating agency or below investment grade and which are subject to greater risk of loss of principal and interest than higher-rated debt securities. Because investors generally perceive that there are greater risks associated with unrated and below investment grade securities, the yields and prices of such securities may fluctuate more than those for higher-rated securities. The market for noninvestment grade securities may be smaller and less active than that for higher-rated securities, which may adversely affect the prices at which these securities can be sold and result in losses to the relevant Master Fund. The relevant Master Fund may invest in debt securities which rank junior to other outstanding securities and obligations of the issuer, all or a significant portion of which may be secured on substantially all of that issuer's assets. The relevant Master Fund may invest in debt securities which are not protected by financial covenants or limitations on additional indebtedness. The relevant Master Fund may therefore be subject to credit, liquidity and interest rate risks. In addition, evaluating credit risk for debt securities involves uncertainty because credit rating agencies throughout the world have

different standards, making comparison across countries difficult. Also, the market for credit spreads is often inefficient and illiquid, making it difficult to accurately calculate discounting spreads for valuing financial instruments.

Securities issued by certain sovereign issuers may have a limited trading market, resulting in limited liquidity. As a result, the relevant Fund may have difficulties in valuing or liquidating positions.

Deferral of Redemptions

The redemption of Shares of the GRV Fund may be deferred as described in detail in the GRV Fund's offering documents. Any Shares of the GRV Fund, the redemption of which is deferred, will remain invested in the GRV Fund and accordingly, the relevant investors in the GRV Fund will bear the risk of remaining invested in the GRV Fund pending satisfaction of their redemption request in full.

Derivatives

The relevant Master Fund utilizes both exchange-traded and OTC derivatives, including, but not limited to, futures, forwards, swaps (including credit default swaps and foreign currency swaps), options and contracts for differences, as part of its investment approach. These instruments can be highly volatile and expose investors to a high risk of loss. The low initial margin deposits normally required to establish a position in such instruments permit a high degree of leverage. As a result, depending on the type of instrument, a relatively small movement in the price of a contract may result in a profit or a loss which is high in proportion to the amount of funds actually placed as initial margin and may result in unquantifiable further loss exceeding any margin deposited. In addition, daily limits on price fluctuations and speculative position limits on exchanges may prevent prompt liquidation of positions resulting in potentially greater losses. The pricing relationships between derivatives and the instruments underlying such derivatives may not correlate with historical patterns, potentially resulting in unexpected losses. Further when used for hedging purposes there may be an imperfect correlation between these instruments and the investments or market sectors being hedged. Transactions in OTC contracts may involve additional risk as there may not be an exchange market on which to close out an open position. It may be impossible to liquidate an existing position, to assess the value of a position or to assess the exposure to risk. Contractual asymmetries and inefficiencies can also increase risk, such as break clauses, whereby a counterparty can terminate a transaction on the basis of a certain reduction in Net Asset Value, incorrect collateral calls or delays in collateral recovery. The relevant Master Fund may also sell covered and uncovered options on securities and other assets. To the extent that such options are uncovered, the relevant Master Fund could incur an unlimited loss.

Emerging Markets

If the relevant Master Fund invests in securities of companies incorporated in or whose principal operations are in emerging markets, additional risks may be encountered. These include:

Currency Risk: the currencies in which investments are denominated may be unstable, may be subject to significant depreciation and may not be freely convertible.

Country Risk: the value of the relevant Master Fund's assets may be affected by political, legal, economic and fiscal uncertainties. Existing laws and regulations may not be consistently applied.

Market Characteristics: emerging markets are still in the early stages of their development, have less volume, are less liquid and experience greater volatility than more established markets and are not highly regulated. Settlement of transactions may be subject to delay and administrative uncertainties.

Political and legal risks: emerging markets carry a higher degree of political risk than developed markets or regulations can impede repatriation of investment capital or earnings. It may be

difficult to obtain and enforce a judgement in certain emerging markets in which assets of the relevant Master Fund have been invested.

Custody Risk: custodians are not able to offer the level of service and safe-keeping, settlement and administration of securities that is customary in more developed markets and there is a risk that the relevant Master Fund will not be recognized as the owner of securities held on its behalf by a sub-custodian.

Disclosure: less complete and reliable fiscal and other information may be available to investors.

Equity, Equity-Linked Securities and Equity Indices

The relevant Master Fund engages in trading equity and equity-linked securities (including equity-based derivatives) and may engage in trading equity indices, the values of which vary with an issuer's performance and movements in the broader equity markets. Numerous economic factors, as well as market sentiment, political and other factors, influence the value of equities.

A number of the equity-like financial instruments in which the relevant Master Fund may trade are referenced to underlying equities but incorporate other components - duration, strike price, premiums, etc. - which may result in the relevant Master Fund's positions being unprofitable even though the Firm or the relevant Advisory Affiliate may have correctly assessed the market value of the underlying equity.

Market prices of equity securities as a group have dropped dramatically in a short period of time on several occasions in the past, and they may do so again in the future. In addition, actual and perceived accounting irregularities may cause dramatic price declines in the equity securities of companies reporting such irregularities or which are the subject of rumors of accounting irregularities. These factors may adversely affect the relevant Master Fund and, consequently, the net asset value per Share.

Forward Foreign Exchange Contracts

The relevant Master Fund will enter into forward foreign exchange contracts. A forward foreign exchange contract is a contractually binding obligation to purchase or sell a particular currency at a specified date in the future. Forward foreign exchange contracts are not uniform as to the quantity or time at which a currency is to be delivered.

The CFTC has been granted authority to regulate all swaps, including forward foreign exchange contracts (although a limited category of forward foreign exchange contracts was excluded from certain regulations under the Dodd-Frank Act, as permitted thereunder, by the Secretary of the Treasury). Until the CFTC fully implements rules with respect to these transactions, trading by the relevant Master Fund in some forward foreign exchange contracts will not be regulated by the CFTC and will not be traded on exchanges or subject to mandatory clearing. In addition, those forward foreign exchange contracts excluded by the Secretary of the Treasury as well as bona fide spot currency transactions will also not be subject to regulation by the CFTC.

Certain of the forward foreign exchange contracts in which the relevant Master Fund engages are effected through a trading system known as the interbank market. It is not a market with a specific location but rather a network of participants electronically linked. Central clearing is offered only in respect of certain types of forward foreign exchange contracts entered into on this market and accordingly, if the relevant Master Fund wishes to 'close out' any such contract before the specified date, it will be reliant upon the agreement of the relevant counterparty. There is no limitation as to daily price movements on this market and none of the relevant Master Fund's counterparties will be required to make or continue to make a market in any forward foreign exchange contracts. In exceptional circumstances there have been periods during which certain banks have refused to quote prices for forward foreign exchange contracts or have quoted prices with an unusually wide spread between the price at which the bank is prepared to buy and that at which it is prepared to sell. The imposition on any counterparty of

credit restrictions on the dealing facilities which they agree to provide to the relevant Master Fund may subsequently limit any transactions in forward foreign exchange contracts. For forward foreign exchange contracts that are either excluded by the Secretary of the Treasury or not yet subject to exchange trading or clearing by the CFTC, the relevant Master Fund will be subject to the risk of the inability or refusal of the Fund's counterparties to perform with respect to such contracts. Any such default would eliminate any profit potential and compel the relevant Master Fund to cover its commitments for resale or repurchase, if any, at the then current market price. These events could result in significant losses.

General Economic and Market Conditions

The success of the activities of the relevant Master Fund is affected by general economic and market conditions, such as interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws, trade barriers, currency exchange controls and national and international political circumstances. These factors may affect the level and volatility of securities prices and the liquidity of the relevant Master Fund's investments. Volatility and adverse liquidity could impair the profitability of the relevant Fund or result in losses.

Global Financial Market Crisis and Governmental Intervention

The global financial markets have in the past few years undergone pervasive and fundamental disruptions and dramatic instability. The extent to which the underlying causes of instability are pervasive throughout global financial markets and have the potential to cause further instability is not yet clear but these underlying causes have led to extensive and unprecedented governmental intervention. Regulators in many jurisdictions have implemented or proposed a number of wide-ranging regulatory measures governing financial markets, products and participants, including enhanced market oversight and restrictions on or new requirements for the short selling of financial and other stocks in many jurisdictions. Such intervention has in certain cases been implemented on an "emergency" basis without much or any notice with the consequence that some market participants' ability to continue to implement certain strategies or manage the risk of their outstanding positions has been suddenly and/or substantially eliminated. In addition, due to the uncertain stability of global financial institutions, the security of assets held by any financial institution cannot be guaranteed, notwithstanding the terms of any agreement with such institution. Given the complexities of the global financial markets and the limited time frame within which governments have been able to take action, these interventions have sometimes been unclear in scope and application, resulting in confusion and uncertainty which in itself has been materially detrimental to the efficient functioning of such markets as well as previously successful investment strategies.

It is impossible to predict with certainty what additional interim or permanent governmental restrictions may be imposed on the markets and/or the effect of such restrictions on the Firm's and its Advisory Affiliates' ability to implement the relevant Master Fund's investment objective. However, the Firm believes that there is a likelihood of increased regulation of the global financial markets, and that such increased regulation could be materially detrimental to the performance of the relevant Master Fund's portfolio.

National governments, their central banks and supra-governmental agencies and organizations have previously taken, and may in the future take, significant steps to intervene in the financial markets. Current and future government, central bank and/or supra-governmental interventions may lead to a change in valuations of securities that is detrimental to the relevant Master Fund's investments. Such intervention is subject to inherent uncertainties relating to prevailing economic conditions and political considerations.

Highly Volatile Markets

The prices of derivative instruments, including options prices, are highly volatile. Price movements of forward contracts and other derivative contracts in which the relevant Master Fund may invest are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary, and exchange control programs and policies of governments, and national and international political and economic events and policies. In

addition, governments from time to time intervene, directly and by regulation, in certain markets. Such intervention is often intended directly to influence prices and may, together with other factors, cause all of such markets to move rapidly in the same direction because of, among other things, interest rate fluctuations. The relevant Master Fund is also subject to the risk of the failure of any of the exchanges on which its positions trade or of their clearing houses.

Inadequacy of Index Replication Transactions and Class Currency Hedging Transactions

In respect of the relevant Fund's Shares that have exposure to a particular index ("Index Shares"), CIM will seek to provide exposure to the relevant index through relevant index replication transactions. The assets of the relevant Master Fund attributable to the relevant Index Shares will therefore be exposed to possible adverse fluctuations in the value and/or transactional costs of such index replication transactions and the assets of the relevant Master Fund attributable to the relevant class of Index Shares will therefore be exposed to possible adverse fluctuations in the value of such relevant index replication transactions. The assets of the relevant Master Fund attributable to any other classes of Index Shares in the relevant Fund in respect of which CIM currently or in the future seeks to provide exposure to the performance of another index (including through delegation to a third-party index replication provider, if applicable) are or will be exposed to possible adverse fluctuations in the value of the applicable other index replication transactions. There can be no assurance that any of such index replication transactions will be successful or that they will not generate significant losses.

The assets of the relevant Master Fund attributable to classes of Shares that denominated in currencies other than US Dollar are or will be exposed to possible adverse currency fluctuations between such currencies and the US Dollar. The Investment Manager seeks or will seek, as the case may be, to hedge this exposure through currency hedging transactions with the aim of minimizing the impact thereof on the net asset value per Share of such Shares or the net asset value of such other currency classes. However, there can be no assurance that such currency hedging transactions will be successful or that they will not generate significant losses.

Index Shares and Market Stress

Index replication transactions for certain Index Shares may be particularly susceptible to wide bid/offer spreads during periods of systemic market stress or when there is a strong risk-off environment. Accordingly, the redemption price of such Index Shares redeemed during any such period may be significantly impacted by the underlying illiquidity of the relevant index and the associated price achieved in liquidating the requisite Index Replication Transactions.

Investment Management Risk

The investment performance of the relevant Fund is substantially dependent on the services of certain individuals involved in the Firm's and its Advisory Affiliates' business. In the event of the death, incapacity, departure, insolvency or withdrawal of any of these individuals, the performance of the relevant Fund and its corresponding Master Fund may be adversely affected.

Liquidity and Market Characteristics

In some circumstances, investments may be relatively illiquid making it difficult or impossible to acquire or dispose of them at the prices quoted on the various exchanges or at the prices which the Firm and/or the relevant Advisory Affiliate considers reflects their value. Accordingly, the relevant Master Fund's ability to respond to market movements may be impaired and the relevant Master Fund may experience adverse price movements upon liquidation of its investments. Settlement of transactions may be subject to delay and administrative uncertainties. The market prices, if any, for such investments tend to be volatile and may not be readily ascertainable, and the relevant Master Fund may not be able to sell them when it desires to do so or to realize what it perceives to be their fair value in the event of a sale. The sale of restricted and illiquid securities often requires more time and results in higher brokerage charges or dealer discounts and other selling expenses than does the sale of securities eligible for trading on national securities exchanges or in the OTC markets. The relevant Master Fund

may not be able to readily dispose of such illiquid investments and, in some cases, may be contractually prohibited from disposing of such investments for a specified period of time. Restricted securities may sell at a price lower than similar securities that are not subject to restrictions on resale.

Market Disruptions

The Fund may incur major losses in the event of disrupted markets and other extraordinary events which may affect markets in a way that is not consistent with historical pricing relationships. The risk of loss from a disconnect with historical prices is compounded by the fact that in disrupted markets many positions become illiquid, making it difficult or impossible to close out positions against which the markets are moving. The financing available to the relevant Master Fund from its banks, dealers and other counterparties will typically be reduced in disrupted markets. Such a reduction may result in substantial losses to the relevant Master Fund. In 1994, in 1998 and again in the so-called “credit crunch” of 2007-2009 a sudden restriction of credit by the dealer community resulted in forced liquidations and major losses for a number of investment vehicles. The “credit crunch” of 2007-2009 has particularly affected investment vehicles focused on credit-related investments. However, because market disruptions and losses in one sector can cause ripple effects in other sectors, during the “credit crunch” of 2007-2009 many investment vehicles suffered heavy losses even though they were not necessarily heavily invested in credit-related investments. In addition, market disruptions caused by unexpected political, military and terrorist events may from time to time cause dramatic losses for the relevant Master Fund and such events can result in otherwise historically low-risk strategies performing with unprecedented volatility and risk. A financial exchange may from time to time suspend or limit trading. Such a suspension could render it difficult or impossible for the relevant Master Fund to liquidate affected positions and thereby expose it to losses. There is also no assurance that off-exchange markets will remain liquid enough for the relevant Master Fund to close out positions.

Global financial markets continue to experience volatility and uncertainty, as a result of the credit crisis, the downgrades of credit ratings, as well as other factors. This volatility and uncertainty may adversely affect the relevant Fund and/or the relevant Master Fund.

Market Liquidity and Leverage

The relevant Master Fund may be adversely affected by a decrease in market liquidity for the instruments in which it invests which may impair the relevant Master Fund’s ability to adjust its positions. The size of the relevant Master Fund’s positions may magnify the effect of a decrease in market liquidity for such instruments. Changes in overall market leverage, deleveraging as a consequence of a decision by any of the relevant Master Fund’s prime brokers, or other counterparties with which the relevant Master Fund enters into repurchase/reverse repurchase agreements or derivative transactions, to reduce the level of leverage available, or the liquidation by other market participants of the same or similar positions, may also adversely affect the relevant Master Fund’s portfolio.

OTC Transactions

There has been an international effort to increase the stability of the financial system in general, and the OTC derivatives market in particular, in response to the “financial crisis” of 2007-2009. The leaders of the G20 have agreed that all standardized OTC derivative contracts should be traded on exchanges or electronic trading platforms, where appropriate, and cleared through central counterparties, that OTC derivative contracts should be reported to trade repositories and that non-centrally cleared contracts should be subject to higher margin requirements.

In the United States, the Dodd-Frank Act includes provisions that comprehensively regulate the OTC derivatives markets for the first time (including the markets in foreign currency contracts and credit default swaps). Key provisions of the Dodd-Frank Act require rulemaking by the SEC and the CFTC, not all of which has been proposed or finalized as at the date of this Brochure. As a result, investors in the relevant Fund should expect future changes in the regulatory environment.

In an attempt to reduce systemic and counterparty risks associated with OTC derivatives transactions, the Dodd-Frank Act requires that a substantial portion of OTC derivatives must be executed in regulated markets and submitted for clearing to regulated clearing houses. The CFTC has issued rules requiring the clearing of certain OTC derivatives transactions that fall within its jurisdiction and it is expected that the CFTC and the SEC will require the clearing of more transactions in the future. OTC trades submitted for clearing are subject to minimum initial and variation margin requirements set by the relevant clearing house, as well as SEC- or CFTC-mandated margin requirements. The regulators have also adopted rules imposing minimum initial and variation margin requirements on non-cleared OTC derivatives. Although the Dodd-Frank Act includes limited exemptions from the clearing and margin requirements for so-called "end-users", the relevant Master Fund does not expect to be able to rely on such exemptions. In addition, the OTC derivative dealers with which the relevant Master Fund may execute the majority of its OTC derivatives will not be able to rely on the end-user exemptions under the Dodd-Frank Act and therefore such dealers will be subject to clearing and margin requirements notwithstanding whether the relevant Master Fund is subject to such requirements. OTC derivative dealers are also required to post margin to the clearing houses through which they clear their customers' trades instead of using such margin in their operations. This will further increase the dealers' costs, which costs are expected to be passed through to other market participants in the form of higher fees and less favorable dealer marks. In addition, the relevant Master Fund may also be required to post higher margin amounts to certain of the dealers with which it trades and that will increase the costs of the relevant Master Fund and reduce the amount of available capital with which to implement its investment strategy. With respect to cleared OTC derivatives, the relevant Master Fund will not face a clearing house directly but rather through an OTC derivatives dealer that is registered with the CFTC or SEC to act as a clearing member. The relevant Master Fund may face the indirect risk of the failure of another clearing member customer to meet its obligations to its clearing member. Such scenario could arise due to a default by the clearing member on its obligations to the clearing house, triggered by a customer's failure to meet its obligations to the clearing member. For OTC derivatives that are cleared through a clearing house, there is the additional risk that the clearing house may become insolvent or lack the financial resources to assure performance in the event of a clearing house member's default.

The CFTC has also issued rules requiring certain OTC derivatives transactions that fall within its jurisdiction and that are currently executed on a bilateral basis in the OTC markets to be executed through a regulated securities, futures, or swap exchange or execution facility. It is expected that the CFTC and the SEC will require the execution on a regulated market of additional OTC derivatives transactions in the future. Such requirements may make it more difficult and costly for investment funds, including the relevant Master Fund, to enter into highly tailored or customized transactions. They may also render certain strategies in which the relevant Master Fund might otherwise engage impossible or so costly that they will no longer be economical to implement.

OTC derivative dealers and major OTC derivatives market participants are required to register with the SEC and/or the CFTC. Based on the current levels of uncollateralized exposure to their swap dealers, it is not anticipated that the relevant Master Fund, the Firm and/or any of its Advisory Affiliates will be required to register as major participants in the OTC derivatives markets. Dealers and major participants are also subject to minimum capital and margin requirements. These requirements may apply irrespective of whether the OTC derivatives in question are exchange-traded or cleared. OTC derivatives dealers are subject to new business conduct standards, disclosure requirements, reporting and recordkeeping requirements, transparency requirements, position limits, limitations on conflicts of interest, and other regulatory requirements. These requirements may increase the overall costs for OTC derivative dealers, which are likely to be passed along, at least partially, to market participants in the form of higher fees or less advantageous dealer marks. The overall impact of the Dodd-Frank Act on the relevant Master Fund is highly uncertain and it is unclear how the OTC derivatives markets will adapt to this new regulatory regime and whether new developments will render certain strategies in which the relevant Master Fund engages impossible or so costly that they will no longer be economical to implement.

Although the Dodd-Frank Act will require many OTC derivative transactions previously entered into on a principal-to-principal basis to be submitted for clearing by a regulated clearing house, certain of the derivatives that may be traded by the relevant Master Fund may remain principal-to-principal or OTC contracts between the relevant Master Fund and third parties entered into privately. The risk of counterparty non-performance can be significant in the case of these OTC instruments, and “bid-ask” spreads may be unusually wide in these heretofore substantially unregulated markets. While the Dodd-Frank Act is intended in part to reduce these risks, its success in this respect may not be evident for some time after the Dodd-Frank Act is fully implemented, a process that may take several years. To the extent not mitigated by implementation of the Dodd-Frank Act, if at all, the risks posed by such instruments and techniques, which can be extremely complex and may involve leveraging of the relevant Master Fund’s assets, include: (1) credit risks (the exposure to the possibility of loss resulting from a counterparty’s failure to meet its financial obligations); (2) market risk (adverse movements in the price of a financial asset or commodity); (3) legal risks (the characterization of a transaction or a party’s legal capacity to enter into it could render the financial contract unenforceable, and the insolvency or bankruptcy of a counterparty could preempt otherwise enforceable contract rights); (4) operational risk (inadequate controls, deficient procedures, human error, system failure or fraud); (5) documentation risk (exposure to losses resulting from inadequate documentation); (6) liquidity risk (exposure to losses created by inability to prematurely terminate the derivative); (7) systemic risk (the risk that financial difficulties in one institution or a major market disruption will cause uncontrollable financial harm to the financial system); (8) concentration risk (exposure to losses from the concentration of closely related risks such as exposure to a particular industry or exposure linked to a particular entity); and (9) settlement risk (the risk faced when one party to a transaction has performed its obligations under a contract but has not yet received value from its counterparty).

European Union Regulation No 648/2012 on OTC derivatives, Central Counterparties and Trade Repositories (also known as the European Market Infrastructure Regulation, or “EMIR”) introduced uniform requirements in respect of OTC derivative contracts by requiring certain “eligible” derivatives contracts to be submitted for clearing to regulated central clearing counterparties and by mandating the reporting of certain details of derivatives contracts to trade repositories. In addition, EMIR imposes risk mitigation requirements for appropriate procedures and arrangements to measure, monitor and mitigate operational and counterparty credit risk in respect of OTC derivatives contracts which are not subject to mandatory clearing, such as the exchange and segregation of collateral.

EMIR has a significant impact on the relevant Master Fund’s trading of derivatives, which may include an increase in the overall costs of entering into and maintaining OTC derivatives contracts. The Fund’s directors and CIM will continue to monitor the position. However, prospective and current investors in the relevant Fund should be aware that the regulatory changes arising from EMIR may adversely affect the relevant Master Fund’s ability to adhere to its investment approach and achieve its investment objective.

Realization of Profits and Valuation of Investments

As a consequence of the global financial market crisis, certain assets may be difficult to value, or may be attributed a zero value. Changes in circumstances or market conditions may lead to revaluation of certain assets, which may result in material increases or decreases in the Net Asset Value. Accordingly, any Fund Investor who redeems Shares during a period when the value of any asset has been impaired will not receive any amount in respect of any subsequent increase of the net asset value as a consequence of any revaluation of an asset the value of which was impaired at the time the investor redeemed the relevant Shares. None of the relevant Funds, the Firm or the Advisory Affiliates is required to inform a Fund Investor proposing to redeem Shares of any circumstances which may lead to a revaluation of an asset, and none is liable to any Fund Investor in respect of any loss of opportunity to participate in gains attributable to any revalued assets, howsoever arising.

Rebalancing Adjustments

CIM may perform rebalancing adjustments at such frequency as described in the relevant Fund's offering documents in order to maintain the replication parity as the net asset value (or reasonable estimate thereof) of the relevant class that has exposure to a particular index increases or decreases from time to time. There can be no assurance that these rebalancing adjustments will be successful or that the relevant replication parity will be maintained.

Regulatory Proceedings

The business of the Capula group is subject to extensive and complex regulation, and may from time to time include regulatory examinations, inquiries, investigations and/or enforcement proceeding, by governmental and self-regulatory organizations in the U.S. and non-U.S. jurisdictions in which the Capula group operates and trades. The regulatory bodies with jurisdiction over members of the Capula group have the authority to grant, and in specific circumstances to cancel, permissions to carry such members' business and the authority to conduct investigations and administrative proceedings. Such investigations and administrative proceedings can result in fines, suspensions of personnel or other sanctions, including censure, the issuance of cease-and-desist orders or the suspension or expulsion of an investment adviser from registration or memberships, which could adversely affect the Capula group's business, financial condition or results of operations. The Funds are involved regularly in trading activities that are subject to a broad range of U.S. and foreign securities law regimes, including laws governing trading on inside information, market manipulation, anti-corruption, fraud and numerous technical trading requirements that reflect fundamental market regulation policies. Even if an investigation or proceeding does not result in a sanction or the sanction imposed against a member of the Capula group or its personnel by a regulator were small in monetary amount, the adverse publicity relating to the investigation, proceeding or imposition of these sanctions could harm the Capula Group's reputation and cause the Funds to lose existing investors or to fail to gain new investors. Furthermore, the legal, technology and other costs associated with, and staff time and resources allocated to regulatory investigations could increase to such a level that they could have a material impact on the Capula group's business, financial condition or results of operations.

Short Selling

The relevant Master Fund sells securities short. Short selling involves trading on margin and accordingly can involve greater risk than investments based on a long position. A short sale of a security involves the risk of a theoretically unlimited increase in the market price of the security, which could result in an inability to cover the short position and a theoretically unlimited loss. There can be no absolute guarantee that securities and/or currencies necessary to cover a short position will be available for purchase.

Purchasing securities to close out a short position can itself cause the price of the relevant securities to rise further, thereby exacerbating the loss. In addition, if a sufficient number of market participants have entered into a short position, the short position may not react in the same way as a security would with no or limited short interest. In the event of a market downturn, the short position may therefore not provide the investment return that the Firm or its Advisory Affiliate expected.

There is also a risk that the securities borrowed in connection with a short sale must be returned to the lender of such securities on short notice. If a request for the return of borrowed securities occurs at a time when other short sellers of the securities are receiving similar requests, a short squeeze can occur, and it may be necessary to replace borrowed securities previously sold short with purchases on the open market at the most disadvantageous time, possibly at prices significantly in excess of the proceeds received from originally selling the securities short.

Due to regulatory or legislative action taken by regulators around the world as a result of recent volatility in the global financial markets, taking short positions on certain securities has been restricted and/or more onerous disclosure requirements in respect of short positions have been implemented. The levels of restriction and disclosure vary across different jurisdictions and are

subject to change in the short to medium term. Such restrictions and/or disclosure requirements have made it difficult and in some cases impossible for numerous market participants either to continue to implement their investment strategies or to control the risk of their open positions and in some cases have increased the risk for such participants to do so. Accordingly, the Firm and/or its Advisory Affiliates may not be in a position to fully express its/their negative views in relation to certain securities, companies or sectors and the ability of the Firm and/or its Advisory Affiliates to fulfil the investment objective of the relevant Master Fund may be constrained. This position will be monitored regularly by CIM.

Sovereign Debt

The relevant Master Fund may invest directly and indirectly through derivative instruments (including swaps and credit default swap indices) in sovereign debt instruments. The issuers of sovereign debt or the governmental authorities that control the repayment of the debt may be unable or unwilling to repay principal or interest when due, and the relevant Master Fund may have limited recourse in the event of a default. A sovereign debtor's willingness or ability to repay principal and pay interest in a timely manner may be affected by, among other factors, its cash flow situation, the extent of its foreign currency reserves, the availability of sufficient foreign exchange on the date a payment is due, the sovereign debtor's policy toward international lenders and the political constraints to which a sovereign debtor may be subject. Furthermore, such entities may be entitled to claim sovereign immunity from any claims made against them should they default on any of their obligations under such loans. This may hinder, or prevent entirely, the recovery of any loss suffered as a result of such default.

Sovereign Risk

Government interference with international transactions in its currency or the debt obligations of itself or its nationals through various means, including, without limitation, regulation of the local exchange market, restrictions on foreign investment by residents, limits on flows of investment funds from abroad and debt moratoria, may expose the relevant Master Fund, and hence the Fund, to unanticipated losses.

Speculative Position Limits and Daily Price Fluctuation Limits

The CFTC and US exchanges have established limits, referred to as "speculative position limits", on the maximum net long or net short position that any person, or group of persons acting together, may hold or control in particular futures contracts, options on futures contracts and swaps that perform a significant price discovery function. In addition, all trading accounts owned or managed by the Firm acting on behalf of the relevant Master Fund, its principals and affiliates will be combined for speculative position limit purposes. Because futures position limits allow a person and its principals to hold or control only a limited number of contracts in any one commodity, the Firm and its principals are potentially subject to a conflict among the interests of all accounts the relevant Master Fund and its principals control which are competing for shares of that limited number of contracts. Although the Firm may be able to achieve the same performance results with OTC substitutes for futures contracts, the OTC market may be subject to differing prices, lesser liquidity and greater counterparty credit risks than the regulated US commodities exchanges. The Firm may in the future reduce the size of the positions which would otherwise be taken or not trade in certain markets on behalf of the relevant Master Fund in order to avoid exceeding such limits. Modification of such trades that would otherwise be made by the Firm, if required, could adversely affect the Fund's operations and profitability. Such modification, if required, could require the relevant Master Fund to liquidate certain positions more rapidly than might otherwise be desirable, and could adversely affect the performance of the relevant Master Fund. A violation of speculative position limits by the relevant Master Fund could lead to regulatory action materially adverse to the relevant Master Fund's prospects for profitability.

In addition, some US commodity exchanges limit fluctuations in certain prices during a single day by imposing what are known as "daily price fluctuation limits" or "daily limits." The existence of "daily price fluctuation limits" or "daily limits" may reduce liquidity or effectively curtail trading in particular markets. Once the price of a particular contract has increased or decreased by the

daily limit, positions in the contract can effectively neither be taken nor liquidated. Contract prices in various investments may occasionally fluctuate beyond the daily limit for several consecutive days with little or no trading. Such occurrences could prevent the relevant Master Fund from promptly liquidating unfavorable positions and subject the relevant Master Fund to substantial losses, which could exceed the margin initially committed to such trades. Daily limits may reduce liquidity, but they do not limit ultimate losses, as such limits apply only on a day-to-day basis. In addition, even if contract prices have not fluctuated beyond the daily limit, the relevant Master Fund may not be able to execute trades at favorable prices if there is only light trading in the contracts involved.

Tax Considerations

The relevant Master Fund may be subject to withholding, capital gains or other taxes on income and/or gains arising from its investment portfolio, including without limitation taxes imposed by the jurisdiction in which the issuer of securities held by the relevant Master Fund is incorporated, established or resident for tax purposes. The relevant Master Fund may also incur or bear transaction or other similar taxes in respect of the actual or notional amount of any acquisition, disposal or transaction relating to its investment portfolio, including without limitation taxes imposed by the jurisdiction in which the issuer of securities held by the relevant Master Fund or the counterparty to a transaction involving the relevant Master Fund is incorporated, established or resident for tax purposes. Where the relevant Master Fund invests in securities or enters into transactions that are not subject to withholding, capital gains, transaction or other taxes at the time of acquisition, there can be no assurance that tax may not be withheld or imposed in the future as a result of any change in applicable laws, treaties, rules or regulations or the interpretation thereof. The relevant Master Fund may not be able to recover such tax and so any change could have an adverse effect on the net asset value of the Shares of the relevant Fund.

Where the relevant Fund chooses or is required to pay taxation liabilities and/or account for reserves in respect of taxes that are or may be payable in respect of current or prior periods by the Fund (whether in accordance with current or future accounting standards), this would have an adverse effect on the net asset value of the Shares. This could cause benefits or detriments to certain Fund Investors, depending on the timing of their entry to and exit from the relevant Fund.

The recently enacted Act to Provide for Reconciliation Pursuant to Titles II and V of the Concurrent Resolution on the Budget for Fiscal Year 2018 (known as the "Tax Cuts and Jobs Act" or the "TCJA") substantially alters US federal tax law, including by changing tax rates, modifying certain rules relating to the use of losses and deductions, and imposing new rules affecting investments in non-US securities. In some cases, there is uncertainty around the scope and application of the newly enacted legislation that may be addressed in future IRS guidance. All prospective investors and the Shareholders should consult their respective tax advisors as to the US federal income tax consequences of their subscribing for, holding and disposing of Shares, including in respect of the TCJA and its potential effect on the foregoing, as well as the effects of state, local and non-US tax laws.

Transaction Costs

The relevant Master Fund's investment approach may involve a high level of trading and turnover of the relevant Master Fund's investments which may generate substantial transaction costs which will be borne by the relevant Master Fund.

Undervalued/Overvalued Securities

One of the key objectives of the relevant Master Fund is to identify and invest in undervalued and overvalued securities or derivatives thereof ("misvalued securities"). The identification of investment opportunities in misvalued securities is a difficult task, and there can be no assurance that such opportunities will be successfully recognized. While purchases of undervalued securities and short sales of overvalued securities offer opportunities for above-average capital appreciation, these investments involve a high degree of financial risk and can

result in substantial losses. Returns generated from the relevant Master Fund's investments may not adequately compensate for the business and financial risks assumed.

The relevant Master Fund may make certain speculative investments in securities which the Firm and/or the relevant Advisory Affiliate believes to be misvalued; however, there can be no assurance that the securities purchased and sold will in fact be misvalued. In addition, the relevant Master Fund may be required to maintain positions in such securities for a substantial period of time before realizing their anticipated value. During this period, a portion of the relevant Master Fund's capital may be committed to the securities, thus possibly preventing the relevant Master Fund from investing in other opportunities. In addition, the relevant Master Fund may finance any such purchases with borrowed funds and thus will have to pay interest on such funds during such waiting period.

US Tax-Exempt Investors

Certain prospective investors may be subject to United States federal and state laws, rules and regulations which may regulate their participation in the relevant Fund, or their engaging directly, or indirectly through an investment in the Fund, in investment strategies of the types which the relevant Master Fund may utilize from time to time. While the relevant Fund believes that its Master Fund's investment program is generally appropriate for US Tax-Exempt Investors for which an investment in the Fund would otherwise be suitable, each type of such investor may be subject to different laws, rules and regulations and should consult with their own advisors as to the advisability and tax consequences of an investment in the Fund. Investment in the relevant Fund by entities subject to ERISA and other tax-exempt investors requires special consideration. Trustees or administrators of such investors are urged carefully to review the matters discussed in this Brochure, the relevant Fund's offering documents and the relevant subscription documents of the Fund.

Item 9: Disciplinary Information

Neither the Firm nor any of its officers, directors, principals or employees has been subject to any legal or disciplinary events that would be material to an investor's evaluation of the Firm's advisory business or the integrity of its management.

Item 10: Other Financial Industry Activities and Affiliations

As mentioned in Item 4 above, CIM has appointed the Firm to act as investment adviser in relation to certain funds and/or accounts for which CIM is investment manager. Currently the Firm provides discretionary investment advisory services in respect of the GRV Account, which is comprised of a portion of the assets of the GRV Master Fund, the TRF Account, which is comprised of a portion of the assets of the TR Master Fund, the EFI Account which is comprised of a portion of the assets of the EFI Master Fund, and the Managed Account which is comprised of a portion of the assets of the SMA. The Clients are currently the Firm's only clients. In addition to being registered with the SEC as an investment adviser, the Firm is a commodity pool operator and commodity trading advisor registered with the CFTC and a member of the NFA.

The Firm is affiliated and under common control with other entities engaged in investment advisory and commodities businesses, including, without limitation, CIM, an Exempt Reporting Adviser with the SEC, an alternative fund manager authorized and regulated by the FCA in the United Kingdom, a commodity pool operator registered with the CFTC and a member of the NFA; Capula Investment Japan ("CIJ"), an Exempt Reporting Adviser with the SEC and an investment adviser registered with the Financial Services Agency in Japan; Capula Investment Management Asia Limited ("CIMAL" and together with CIJ, and CIM, the "Advisory Affiliates"), an Exempt Reporting Adviser with the SEC and an investment adviser registered with the Securities and Futures Commission in Hong Kong; and CGPL, the general partner of one of the GRV Fund's feeder funds. The Firm is also affiliated with and indirectly controlled by CML. CML is controlled by Yan Huo.

The Firm is led by a senior investment professional, Piyush Bharti. Mr. Bharti and David Sobotka are senior portfolio managers for the Firm and are members of CIM and shareholders of CML. CML is the manager of the Funds and CIM is the investment manager for the Funds. CIM is also the investment manager of the SMA.

The Firm's affiliates and their respective personnel serve as investment advisers, investment managers, managers and/or general partners to the Funds and certain other investment vehicles and managed accounts. The Firm's affiliates and their respective personnel may take action or give advice with respect to other clients and accounts that differs from, and at times may conflict with, the advice given to any of the Funds.

The Firm currently provides investment advisory services to the Master Funds and the SMA, and in the future may provide investment advisory services to other clients besides these Clients. Under such circumstances, the portfolio strategies employed by the Firm for one client could conflict with the transactions and strategies employed by the Firm in managing one or more other clients and may affect the prices and availability of the financial instruments and assets in which such clients invest. Conversely, participation in specific investment opportunities may be appropriate, at times, for multiple clients that employ differing investment strategies.

The Firm, its affiliates and their respective personnel will devote as much time to the activities of each client or account as they deem necessary and appropriate and the amount of time devoted to different clients and accounts may vary.

Neither the Firm nor any of its affiliates acts in any capacity as a broker-dealer or a futures commission merchant.

The Firm does not recommend or select other investment advisers for its clients.

The Firm continually monitors potential conflicts of interest that may arise in the course of its business activities, including conflicts of interest presented by the relationships the Firm has with its affiliates. The Firm seeks to ensure that any conflict of interest of which it is aware is mitigated and, if material, disclosed. Other conflicts are more fully described in the Funds' respective offering documents and the SMA's IMA, as applicable, and in Items 6, 10, 11, 12 and 17 of this Brochure.

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

Potential and actual conflicts of interest may arise in the course of the Firm's business activities. The Firm has established policies and procedures to monitor, mitigate, and, to the extent possible, resolve conflicts in a manner it deems fair and equitable under the prevailing facts and circumstances.

The Firm seeks to adhere to the high industry standards of conduct based on principles of professionalism, integrity, honesty and trust. Accordingly, the Firm has in place a Code of Ethics adopted pursuant to the Investment Advisers Act of 1940, as amended (the "Advisers Act") which, along with a Personal Account Dealing policy applicable to all staff, sets out the procedures in place governing personal trading. The Code of Ethics and the Personal Account Dealing policy are available to clients or prospective clients upon request (see contact details on the front page of this Brochure) and includes, among other things, provisions to the following effect:

- Interests of clients must at all times be placed first and dealings on behalf of clients must always have priority over staff personal accounts ("PA") dealing.
- Staff are prohibited from taking inappropriate advantage of their positions.
- All PA dealing must be conducted in such manner as to avoid any actual or potential conflict of interest or any abuse of an individual's position of trust and responsibility.
- All PA brokerage accounts used by members of staff, their spouses or civil partners, dependent children, other relatives who are members of their household, and anyone who receives material financial support from members of staff ("related persons") must be disclosed to the Firm.
- Prior approval may be required before a trade can be executed.
- Copies of contract notes and/or monthly statements are received by the Firm.
- PA dealing in breach of insider trading and/or market abuse legislation is prohibited.
- PA front-running of any trade for Firm clients is prohibited.
- Day trading by staff is prohibited and staff are generally required to hold PA investments for 30 days or longer.
- Staff are subject to limitations on the giving or receiving of gifts and entertainment.
- Staff's outside business activities are restricted and must be pre-cleared with the Firm.
- Prior approval of all political contributions is required.
- Disclosure by staff of confidential information of the Firm and its clients is restricted.

Related persons and staff of the Firm and its Advisory Affiliates may from time to time invest in securities or other financial instruments which may be appropriate for or may fall within client investment objectives and guidelines or which the Firm and Advisory Affiliates may transact for clients. These activities may adversely affect the prices and availability of securities or financial instruments held by or potentially considered for one or more clients. In addition, there is a possibility that employees might benefit from market activity by the Firm's clients in a security held by employees. The Firm has established policies and procedures to monitor and, to the extent possible, resolve conflicts with respect to investment opportunities in a manner it deems fair and equitable, including the restrictions placed on PA dealing in the Code of Ethics, as described above, and regular monitoring of employee PA dealing.

Item 12: Brokerage Practices

General Arrangements

The Firm generally has discretion in deciding what brokers and dealers to use for the execution of securities transactions for its client accounts. However, certain clients may limit the Firm's authority to select brokers, or direct the Firm to use particular brokers. See "Directed Brokerage" below.

All transactions made by the Firm for the Funds generate a substantial amount of brokerage commissions and borrowing charges on securities sold short all of which the relevant Fund, and not the Firm, is obligated to pay, as provided in such Fund's offering documents.

The Firm follows an order execution policy, pursuant to which it takes all sufficient steps to obtain when executing transactions the best possible result for the relevant Client Account, taking into account a range of execution factors, including, without limitation, price, costs, speed, likelihood of execution and settlement, size, nature of financial instruments and/or transaction. The Firm may also consider the following execution factors: confidentiality of trading activity; the broker's reputation and financial viability, accuracy and timeliness of execution, block trading capabilities, market insight and sector expertise, and ability to execute a particular transaction; potential impact of the order on the market; or any other consideration relevant to the execution of an order. The Firm considers different execution venues to enable it to achieve, on a consistent basis, the best possible result for the execution of client orders.

Although the Firm places particular emphasis on a broker's minimization of total trading costs, the Firm does not necessarily consider each of the foregoing factors in every trade. In addition, and subject to its obligation to seek best execution, the Firm is not required to consider any particular criteria, need not solicit competitive bids and does not have an obligation to seek the lowest available commission cost.

In providing services to the Funds, the Firm primarily utilizes traditional brokerage services. Pursuant to the requirements under the European Union's Markets in Financial Instruments Directive (2004/39/EC) and Markets in Financial Instruments Regulation (600/2014) (collectively, "MiFID 2") applicable to the Firm, the Firm does, and is required to, execute certain swap transactions through multilateral trading facilities and/or organized trading facilities. As of the date of this Brochure, the Firm does not, and is not required to, execute any swap transactions through swap execution facilities but may do so in the future, if required.

Soft Dollars and Research Expenses

The Firm does not currently use commissions or "soft dollars" generated from securities transactions (including dealer markups and markdowns arising in connection with certain riskless principal transactions) to pay for research and research-related services.

Pursuant to MiFID 2, CIM is required to separate execution commission from any investment research payments. Accordingly, the CIM has established a research payment account from which it may pay for research (as defined in the FCA Rules) that it and its affiliates receive from third parties in connection with the provision of services to the Master Funds (the "RPA"). The RPA is funded by research charges paid by the Master Funds. Each of the Master Funds will bear such portion of the research charges as determined by CIM in accordance with the Capula Group's research, use and payment policy and the FCA Rules.

CIM pays for all research that it and its affiliates receive from third parties in connection with the provision of services to the SMA.

Although the majority of the Firm's investment research is generated internally, to the extent the Firm utilizes, as needed, external research of selected, recognized research providers to evaluate overall market trends, investment patterns, and general economic conditions, among other factors, the costs of such research are borne by the relevant Client, and not the Firm, as

set out in the Clients' offering documents or investment management agreement, as applicable. Additionally, the costs of investment house data and analytics tools and market analytics systems (such as Bloomberg and Reuters) that provide information regarding potential and existing investments are also borne by the relevant Clients, and not the Firm, as set out in the Clients' respective offering documents or investment management agreement, as applicable.

Directed Brokerage

Generally, the Firm does not engage in directed brokerage arrangements with respect to the Master Funds. However, the Firm may accept written instructions from the SMA or any other client to use specific brokers (for example, those brokers listed on the client's approved brokers list) for such client's account transactions. In these circumstances, it is the client's responsibility to evaluate such brokers, and the Firm does not evaluate the client's directed brokerage determination. When the Firm is directed to use particular brokers, the Firm will seek to obtain best execution while complying with the client's instructions to the extent possible. However, directed brokerage arrangements may prevent the Firm from taking the steps designed and implemented in its best execution policy to obtain the best possible result for the execution of those orders or elements thereof covered by such client instructions. Moreover, when a client directs the Firm to use particular brokers, the Firm may not be able to aggregate the client's account transactions with those of other clients, and therefore may not be able to obtain the potential efficiencies available from trade aggregation.

Brokerage for Client Referrals

The Firm does not receive client (or Fund Investor) referrals from broker-dealers or third parties in return for selecting broker-dealers to execute client transactions. The Clients have, however, entered into agreements with certain broker-dealers that act as prime brokers on their behalf. From time to time, the Firm's personnel may speak at or participate in conferences and programs for potential investors interested in investing in private funds which are sponsored by those broker-dealers. These conferences and programs may be a means by which the Firm or its affiliates can be introduced to potential Fund Investors or clients. Currently, neither the Firm nor any of the Clients compensates prime brokers for organizing such "capital introduction" events or for any investments ultimately made by prospective Fund Investors or clients attending such events (although either may do so in the future). While such events and other services provided by a prime broker may influence the Firm in deciding whether to use the prime broker in connection with brokerage, financing and other activities for clients, the Firm will not commit to allocate a particular amount of brokerage to a prime broker in any such situation.

A Fund may accept subscriptions from Fund Investors who also provide services to the Fund, including brokers and their affiliates. Relationships such as these could be viewed as creating a conflict of interest that potentially could affect the Firm's ability to seek best execution.

Allocation and Aggregation

As mentioned above, the Firm currently provides discretionary investment advisory services only in respect of the Client Accounts. The Firm does and may provide discretionary investment advice to more than one client account that may seek to invest in the same investment opportunities. Additionally, the Advisory Affiliates provide discretionary investment advice to more than one client account that may seek to invest in the same investment opportunities as the Firm's clients. The fact that the Firm and the Advisory Affiliates may provide overlapping investment advice with respect to multiple client accounts, will create potential conflicts and potential differences among client accounts, particularly where there is limited liquidity in those investments.

The Firm does and may (but is not required to) aggregate trades for its clients or together with client accounts advised or managed by the Advisory Affiliates in order to achieve a fair and equitable result between different client accounts for which the same trade is suitable at the same time. The Firm's portfolio managers retain the discretion as to whether and when to aggregate trades. There may be times where more than one portfolio manager is placing a

trade order for the same instrument and such trades are not aggregated. In any case, no trades shall be aggregated unless it is unlikely that the aggregation of trades will work overall to the disadvantage of any client whose trade is to be aggregated.

The Firm and the Advisory Affiliates have developed internal policies and procedures so as to avoid favoring one client account over another. The policy addresses when the Firm should aggregate trades between different client accounts, how the Firm should ensure the fair and equitable allocation of trades which may have been aggregated, and the overall requirement for the Firm to effectively manage conflicts of interest between the client accounts in connection with the aggregation and allocation of trades.

To the extent the Firm provides discretionary investment advice to more than one client account, the Firm may determine that a particular investment opportunity or trade is appropriate for one client account, but not for another client account, or is appropriate for or available to one client account but in different sizes, terms, or timing than is appropriate for another client account. Where portfolio managers determine to execute an aggregated trade they are required where practicable to aggregate and allocate such trades between client accounts at the time of execution, in line with the portfolio managers' reasonable discretion as to what ratio is appropriate for each client account's strategy at such time, including, but not limited to, the ratio of respective capital allocations of the client accounts to one another, in all such instances, subject to the requirement that all client accounts are treated fairly and equitably and that the relevant trade allocation does not result in an overall material detriment of one client account as compared to any other.

In addition, the Firm and/or the Advisory Affiliates may from time to time direct one client account to sell securities to another client account by executing a cross transaction via a broker in the market. All cross transactions must have terms that are fair to and must be in the best interests of both clients involved. In effecting any such cross transactions, neither the Firm nor the Advisory Affiliates will charge a transaction-based fee, but the relevant broker-dealer may. Although the Firm and/or the Advisory Affiliates may have potentially conflicting division of loyalties and responsibilities regarding both client accounts to these transactions, the Firm believes that such transactions, when effected, are beneficial to and in the best interests of both parties because, among other things, the transactions may limit any adverse price impact of open market transactions and reduce overall transaction costs. To the extent that such cross transactions may be viewed as a principal transaction due to the ownership interest in the client accounts by Capula group or its personnel, the Firm will comply with all applicable requirements of the Advisers Act.

Although allocating trade orders among client accounts may create potential conflicts of interest because of the interests of the Firm or its staff or because the Firm may receive greater fees or compensation from one client account over another, the Firm will not make allocation decisions based on such interests or greater fees or compensation. Allocation among client accounts in any particular circumstance may be more or less advantageous to any one client account. In addition, transactions in investments by multiple client accounts may have the effect of diluting or otherwise impairing the values, prices or investment strategies of an individual client, particularly, but not limited to, in less liquid investments. The Firm recognizes that conflicts may arise under such circumstances and will endeavor to treat all clients fairly and equitably.

Item 13: Review of Accounts

The Firm is represented by its senior portfolio managers Piyush Bharti and David Sobotka at the weekly investment committee meeting organized by CIM for the Capula Group. The investment committee, which also includes a member of the Capula Group's risk team, reviews the trading and investment positions of the Client Accounts. In addition, the Capula Group personnel (including the Firm's personnel) reviews and monitors Client Account positions on a daily basis and applies risk management limits thereto.

The Capula Group personnel reports to the independent board of directors of each Fund on a quarterly basis. These reports cover the Funds in their entirety, including the GRV Account, TRF Account, and the EFI Account, respectively, managed by the Firm, and include, but are not limited to, all or any of the relevant Fund's performance and risk profile, investors, fund administration (including fund administrator performance), prime broker performance, analysis of risk and return drivers during the period in question, major asset allocation changes and benchmark analysis, documentation and regulatory issues, fund expenses, key risk indicators as well as a review of any trading or operational factors and other business issues generally.

The Capula Group's personnel sends to each Fund's board of directors a monthly report that includes commentary on the relevant Master Fund's portfolio and performance and commentary on the market. The report also analyzes the relevant Master Fund's portfolio's risk and return characteristics, including the portion of the portfolio in respect of which the Firm provides investment advice.

For the SMA, the requirements for frequency and content of reports are set forth in the SMA IMA.

The Capula group arranges for the annual report and the audited financial statements of the Funds to be sent to their respective Fund Investors following their completion, which is generally within 90 days (but not later than 120 days) following the Fund's fiscal year end.

Item 14: Client Referrals and Other Compensation

The Firm is not remunerated by any party (other than by CIM, as described in Items 5 and 6 above) for the investment advice the Firm provides to the Clients.

The Firm receives no economic benefit from non-clients for providing investment advice or other advisory services to the Clients, whether directly or indirectly.

The Firm does not act in any capacity as a broker-dealer, and accordingly, the Firm does not receive any compensation for acting as a broker-dealer.

Although the Firm does not compensate any person for client or investor referrals, from time to time the Firm's Advisory Affiliates utilize third-party placement agents that receive compensation for referring investors to investment vehicles managed or advised by the Firm or such Advisory Affiliates. Such compensation is borne by the Advisory Affiliates or by the referred investor, depending on the arrangement with the placement agent. Third-party placement arrangements present conflicts of interest because, among other things, (i) the placement agent benefits financially from referring an investor to the Advisory Affiliates rather than to other competitive financial services or advisory firms that may also be appropriate for the investor, and (ii) the Advisory Affiliate benefits financially from the management fees the investor indirectly pays in connection with its investment(s) into the relevant investment vehicle.

As described in Item 12 of this Brochure, the Clients have entered into agreements with certain broker-dealers that act as prime brokers on their behalf, and Firm personnel may speak at or participate in "capital introduction" events sponsored by those broker-dealers.

In addition, from time to time, a Fund may accept subscriptions from Fund Investors who also provide services to such Fund, including brokers and their affiliates. Relationships such as these could be viewed as creating a conflict of interest that potentially could affect the Firm's ability to seek best execution.

Item 15: Custody

The Firm is deemed to have custody of each Fund's assets under Rule 206(4)-2 under the Advisers Act (the "Custody Rule"). However, the Firm is not required to comply (or is deemed to have complied) with certain requirements of the Custody Rule with respect to the relevant Fund because it complies with the provisions of the so-called "Pooled Vehicle Annual Audit Exception", which, among other things, requires that the Fund be subject to audit at least annually by an independent public accountant that is registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board, and requires that the Fund distribute its audited financial statements to all investors within 120 days of the end of its fiscal year.

The GRV Master Fund has appointed The Bank of New York Mellon, London Branch, HSBC Bank plc and State Street Bank and Trust Company as custodians to provide custody services for the GRV Master Fund's assets. The TR Master Fund has appointed The Bank of New York Mellon, London Branch, HSBC Bank plc, State Street Bank and Trust Company, and State Street Custodial Services (Ireland) Limited as custodians to provide custody services for the TR Master Fund's assets. The EFI Master Fund has appointed The Bank of New York Mellon, London Branch as custodian to provide custody services for the EFI Master Fund's assets.

The GRV Master Fund's appointed prime brokers are Barclays Bank PLC, Barclays Capital Inc., Barclays Capital Securities Limited, BNP Paribas, London Branch, Credit Suisse Securities (Europe) Limited, Credit Suisse Securities (USA) LLC, Merrill Lynch International, Merrill Lynch, Pierce, Fenner & Smith Incorporated, Morgan Stanley & Co. International plc and UBS AG, London Branch. Although the prime brokers' terms of appointment include custodian services, The Bank of New York Mellon, London Branch, HSBC Bank plc and State Street Bank and Trust Company provide the majority of such services to the GRV Master Fund. The TR Master Fund's appointed prime brokers are Barclays Bank PLC, Barclays Capital Inc., Barclays Capital Securities Limited, BNP Paribas, London Branch, Merrill Lynch International, Merrill Lynch, Pierce, Fenner & Smith Incorporated, and UBS AG, London Branch. Although the prime brokers' terms of appointment include custodian services, The Bank of New York Mellon, London Branch, HSBC Bank plc, State Street Bank and Trust Company, and State Street Custodial Services (Ireland) Limited provide the majority of such services to the TR Master Fund. The EFI Master Fund's appointed prime broker is Barclays Bank PLC. Although the prime broker's terms of appointment include custodian services, The Bank of New York Mellon, London Branch provides the majority of such services to the EFI Master Fund.

The Firm does not have custody (as such term is defined in the Custody Rule) of the assets held by the SMA.

Item 16: Investment Discretion

As mentioned in “Item 4: Advisory Business” above, the Firm has full discretionary authority to provide investment advisory services in respect of the Client Accounts, each of which is comprised of a portion of the assets of the relevant Client. The Firm provides such discretionary investment advisory services to each Master Fund under the terms of the IAA, and in line with and subject to the applicable investment objectives, approach and restrictions of such Fund as described in the Fund’s offering documents. Fund investors are not permitted to place any limitations on this authority. The Firm also provides such discretionary investment advisory services to the SMA under the terms of the SMA IMA, and in line with and subject to the applicable investment objectives, approach and restrictions of the SMA as described in the SMA IMA. The beneficial owner of the SMA may place certain limitations on this authority.

Item 17: Voting Client Securities

The Firm currently has proxy voting authority only over the assets held in the Client Accounts but does not have such authority over other assets of the Clients. In compliance with Advisers Act Rule 206(4)-6, the Firm has adopted proxy voting policies and procedures. The Firm's policy is to vote proxy proposals, amendments, consents, or resolutions in a manner that serves the best interest of its clients and is in line with clients' investment objectives. Accordingly, under the Firm's proxy voting policy, given the short-term orientation of the Firm's investment strategies and given that the time and expenses required to exercise proxy voting rights are likely to outweigh the benefits that may accrue to clients as a result of exercising such rights, the Firm has determined that voting proxies is generally not in the best interest of its clients and thus the Firm generally abstains from voting any proxy in respect of equity securities held by its clients.

To the extent the Firm votes any proxy for a Client Account, the Firm will not consult with the relevant Client before exercising any vote, but will always seek to vote in a manner that it determines to be in the best interests of the Client pursuant to Advisers Act Rule 206(4)-6. Fund Investors may not direct the Firm's vote in a particular proxy solicitation.

Current and prospective Fund Investors and clients may request information from the Firm about how it voted securities in connection with a particular proxy vote and may also request a copy of the Firm's proxy voting policies and procedures, in each case by contacting the Firm at +1 (203) 542 2400 or by email at iabramov@capulaglobal.com.

Item 18: Financial Information

The Firm does not require or solicit prepayment of any type of client fees in advance. The Firm is not aware of any financial commitment reasonably likely to impair its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.