

## **DG PARTNERS LLP**

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### **PART 2A of FORM ADV The Brochure**

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This brochure provides information about the qualifications and business practices of DG Partners LLP ("DG Partners" or the "Firm"). If you have any questions about the contents of this brochure, please contact us at +44 20 7408 5200. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about DG Partners is also available on the SEC's website at: [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**Item 2.  
Material  
Changes**

DG Partners has the following material changes to report since the last Part 2A was filed in March 2021:

- Item 1: change of address;
- Item 4: ownership information;
- Item 10: change to placement agents disclosures;
- Item 14: change to placement agents disclosures.

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#### Item 4. Advisory Business

DG Partners LLP ("DG Partners" or the "Firm") is an investment manager based in London, United Kingdom. The Firm was established in 2002.

Mr. David Gorton serves as the Firm's Chief Investment Officer.

The Firm has two corporate members: DG Partners Services Limited (the "Service Company") and DG Systematic Holdings Limited. The Service Company is a wholly owned subsidiary of DG Partners International Limited. The Firm also has a number of individual members.

The Service Company owns more than 75% of the capital of DG Partners. David Gorton owns more than 75% of DG Partners International Limited.

The Firm has entered into a secondment and services agreement (the "Services Agreement") with the Service Company and the Firm's affiliate, BH-DG Systematic Trading LLP ("BH-DG"). Pursuant to the Services Agreement, certain staff members of the Firm are seconded from the Service Company and BH-DG. Similarly, the Firm seconds certain staff members to BH-DG. Further, the Firm may at times deploy staff in multiple internal roles across its business. BH-DG forms part of a joint venture with Brevan Howard. DG Systematic Holdings Limited is also a corporate member of BH-DG. The Firm relies on its policies and processes to minimize any potential conflict that might result from such arrangements.

The Firm focuses on investments in fixed income, futures and FX markets with a strong emphasis on liquidity, risk control and investor transparency.

The Firm currently advises five private funds (the "Funds"):

- DG Macro Fund Limited: the fund follows a global macro trading strategy with a fixed-income emphasis. Trading views are expressed through liquid instruments which are diversified and across multiple asset classes including (but not limited to), fixed income, foreign exchange, commodity futures and equity index futures;
- BH-DG Systematic Trading Master Fund Limited (the "Systematic Master Fund") and its feeder funds, BH-DG Systematic Trading Fund Limited and BH-DG Systematic Trading Fund, LP: the Systematic Master Fund utilises systematic trading strategies all of which are predicated on the belief that the application of statistical methods and quantitative risk management can detect and subsequently exploit predictable behaviour in financial prices. These systematic trading strategies are deployed across a large number of liquid markets;
- BH-DG Systematic Trading ERISA Fund Limited: the fund utilises systematic trading strategies all of which are predicated on the belief that the application of statistical methods and quantitative risk management can detect and subsequently exploit predictable behaviour in financial prices. These systematic trading strategies are deployed across a large number of liquid markets.

**Item 4.  
Advisory  
Business  
(continued)**

The list of Funds above excludes those vehicles which are akin to managed accounts which the Firm manages but does not market to third parties ("Managed Accounts").

The Firm also provides trade execution services to BH-DG and its clients and may aggregate client orders with orders for clients of BH-DG.

DG Partners is authorized and regulated by the UK Financial Conduct Authority and only provides services to professional and institutional clients.

The same macro and systematic trading strategies that are employed to manage the portfolios of (or a portion of portfolios of) clients of DG Partners are, or may be, employed to manage the portfolios of (or a portion of the portfolios of) other direct or indirect clients of BH-DG. DG Partners believes that the nature of its investment strategies and its well-defined investment process minimize this potential conflict. In addition, the Firm has adopted policies and procedures designed to minimize such conflict.

Private funds and managed accounts may follow different strategies and/or different variants of strategies (for example, in order to comply with particular investment restrictions specified by the client or required by law or regulation). Investors in the Funds may not restrict the manner or types of investments made by the Funds, however Managed Account clients may impose restrictions on investing in certain securities or types of securities as well as such other restrictions as they may require.

The Firm does not participate in wrap fee programs.

As of December 31, 2021, DG Partners managed approximately \$1,214,657,118 of regulatory assets under management on a discretionary basis. The Firm does not manage any assets on a non-discretionary basis (though it does provide the aforementioned trade execution services to BH-DG).

Any references to clients' investment terms in this document, including but not limited to their investments, strategies, fees and other costs, conflicts of interest and relevant material risks are wholly qualified by the terms of any applicable investment management agreements, disclosure documents, offering memoranda and governing documents.

**Item 5.  
Fees and  
Compensation**

Each of the Funds (excluding the Systematic Master Fund) has a management fee and a performance fee component, the specifics of which vary based on the share class or class of interest ("Share Class") of the Funds and are fully described in the applicable governing and offering documents for each of the Funds. Typically, management fees are calculated based upon a percentage of assets under management whereas performance fees are based upon a percentage of new profits.

<b>Item 5. Fees and Compensation (continued)</b>	<p>The Firm also provides advisory services to Managed Account clients. These clients may be charged a management fee and/or a performance fee. The fees are subject to negotiation and are fully described in the respective investment management agreement for each account.</p> <p>Certain employees of DG Partners and its affiliates have investments in the Funds and pay management and performance fees at a discounted rate, or do not pay any management or performance fees.</p> <p>In addition to the management and performance fees described above, the Funds will bear additional fees, which may include but are not limited to: fees relating to clearing, payments, trading (including, without limitation, brokerage and futures commission merchant fees and commissions), middle office charges, market data and other data costs (including but not limited to real-time, non real-time and historical market data licensing feeds and fees for third party databases), legal, accounting, fund administrator, auditing and filing fees, regulatory reporting fees and printing and mailing expenses related to the offering of shares or interests therein. More detailed information about the fees and expenses described above is set forth in the applicable governing and offering documents for each of the Funds. In the case of Managed Accounts, more detailed information is contained in the relevant investment management agreement.</p>
<b>Item 6. Performance Based Fees and Side-by- Side Management</b>	<p>As noted in Item 5 above, the Funds and Managed Accounts are charged performance based fees. These performance fees could potentially incentivize DG Partners to make riskier investments than would be the case in the absence of such fees. The Firm manages clients that charge management and performance based fees as well as clients that only charge performance based fees. The Firm has a well-defined investment process designed to minimize this potential conflict.</p> <p>Since the Firm manages client accounts with different compensation structures on a side-by-side basis, the Firm has a potential conflict and incentive to favour certain higher fee-paying accounts over lower fee-paying accounts.</p> <p>DG Partners believes that the nature of its investment strategy and its well-defined investment process minimize this potential conflict. In addition, the Firm has adopted allocation policies and procedures designed to minimize potential side-by-side management conflicts.</p>

<b>Item 7. Types of Clients</b>	<p>As described above, DG Partners provides discretionary investment advisory services to the Funds and to Managed Accounts.</p> <p>Investors in the Funds are generally required to make a minimum initial investment which varies based on the Share Class of each Fund, with subsequent minimum increments also based on the Share Class. The directors of the Funds reserve the right to waive the minimum initial investment amounts as well as the subsequent minimum increments.</p> <p>U.S. investors in the Funds are typically limited to persons who are “qualified purchasers” as that term is defined in the Investment Company Act of 1940, and “accredited investors” as that term is defined in SEC Rule 501(a) under the Securities Act of 1933.</p> <p>Managed Account clients are typically limited to institutions and other professional investors. The optimal minimum initial investment amount to establish Managed Account is \$50 million. The Firm reserves the right to waive the minimum initial investment amount at its discretion</p>
<b>Item 8. Methods of Analysis, Investment Strategies and Risk of Loss</b>	<p><u>Methods of Analysis and Investment Strategies</u></p> <p>DG Partners pursues global macro and systematic trading investment strategies on behalf of its clients.</p> <p>The Firm’s global macro strategy involves active trading in a wide range of instruments, contracts, and other products, in certain cases on a leveraged basis.</p> <p>The Firm’s main systematic trading strategy is based on a set of medium-term trend-following signals combined with an in-built risk management methodology. The philosophy of the strategy is that predictable patterns exist in financial markets and that it is possible to construct a well-diversified portfolio that will generate strong risk-adjusted returns across a range of trading environments. The strategy is a fusion of practical and academic approaches. The trading strategies and systems utilised may be revised from time to time as a result of ongoing research and development to devise new trading strategies and systems as well as evolving existing methods as markets change over time. The trading strategies and systems used by the Firm in the future may differ significantly from those presently used due to the changes which may result from this research.</p> <p>DG Partners monitors compliance with the investment objectives and restrictions set forth in the applicable governing documents of the Funds.</p> <p><u>Risk of Loss</u></p> <p>The investment strategies pursued by DG Partners as summarized above will be subject to normal market fluctuations and other risks inherent in investing in securities. There can be no assurance that any appreciation in the value of investments will occur. The value of investments and the income derived from them may fall as well as rise and investors may not recoup the original amount they invest.</p>

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(continued)**

The descriptions contained below are a brief overview of associated risks related to DG Partners' investment strategies; however, they are not intended to serve as an exhaustive list or a comprehensive description of all risks and conflicts that may arise in managing the client accounts. The Funds' governing and offering documents contain a more detailed discussion of the associated risks of the Firm's investment strategy.

Investing in securities involves risk of loss that clients should be prepared to bear.

General Investment Risks

An investment in the strategies is highly speculative and involves a high degree of risk due to the nature of the investments and the investment strategies and trading strategies to be employed. An investment in the strategies should not in itself be considered a balanced investment program. Investors and clients should be able to withstand the loss of their entire investment.

Other Clients

The Firm and/or its affiliates and/or connected persons that provide investment management services to clients may manage other funds and/or accounts and each will remain free to provide such services to additional funds and accounts, including for their own accounts, in the future. The investment strategies employed on behalf of clients may vary between them and from those used for itself. No assurance is given that the results of the trading by the Firm or its affiliates on behalf of clients will be similar to that of other funds and/or accounts concurrently managed by the Firm or its affiliates and/or connected persons. It is possible that such funds and accounts and any additional funds and accounts to which the Firm and/or its affiliates and/or connected persons in the future provide such services may compete with other clients for the same or similar positions in the markets. In certain circumstances, realisations of the assets of such other clients, including but not limited to, to meet redemptions of holdings by investors in such clients and/or as a result of the termination of such clients' management and/or investment management arrangements may adversely affect the value, diversity and/or volatility of positions held by other clients.

Futures Trading May be Volatile

Futures prices may be volatile and may exhibit a high degree of variability. Price movements for futures are influenced by, among other things, government trade, fiscal, monetary and exchange control programs and policies; weather and climate conditions; changing supply and demand relationships; national and international political and economic events; changes in interest rates; and the psychological emotions of the market place. In addition, governments from time to time intervene in certain markets, directly and by regulation, often with the intent to influence prices directly. This volatility, combined with the leverage used in futures trading can cause large and sudden losses of capital and may result in the total loss of an investment or, in certain circumstances, a total loss in excess of a total investment.

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Non-U.S. Exchanges and Markets

DG Partners engages in trading on non-U.S. exchanges and markets. Trading on such exchanges and markets involves certain risks not applicable to trading on United States exchanges and is frequently less regulated. For example, certain of such exchanges may not provide the same assurances of the integrity (financial and otherwise) of the marketplace and its participants as do United States exchanges.

Decisions Based on Trend Following Analysis

The trading decisions made on behalf of clients will be based in part on trading strategies which utilize mathematical analyses on past market price movement. The profitability of any trading strategy based on this type of historical analysis is determined by the relationship of future price movements to historical prices, and the ability of the strategy to adapt to future market conditions. DG Partners attempts to develop strategies which will be successful under many possible future scenarios. There can be no guarantee, however, that these systematic strategies will be successful.

Economic and Market Conditions

The success of the strategies will be affected by general economic and market conditions, such as interest rates, availability of credit, credit defaults, inflation rates, economic uncertainty, changes in laws, trade barriers, currency exchange controls, and national and international political circumstances (including wars, terrorist acts or security operations). These factors may affect the level and volatility of investments' prices and the liquidity of the investments. Volatility or illiquidity could impair the strategies' profitability or result in losses.

Brexit and the European Union

The United Kingdom is no longer a member state of the European Union. Despite the negotiation of the UK-EU Trade and Cooperation Agreement in December 2020, the future economic and political relationship between the United Kingdom and the European Union (and between the United Kingdom and other countries) remains uncertain in many respects, and a period of economic and political uncertainty may therefore continue in the United Kingdom and the European Union. The relevant regulatory authorities in the United Kingdom may in the future make changes to their rules which deviate from the standards applicable in the European Union. Such changes may be adverse to the Firm's ability to operate effectively and/or to the Funds and the Managed Accounts. The on-going negotiations between the United Kingdom and the European Union in respect of their relationship may lead to unpredictable outcomes, such as market volatility or impact on certain asset classes. 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 these factors on the Funds, and the Firm are uncertain, but may be significant.



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Market Crisis and Governmental Intervention

The global financial markets have in recent periods, as well as in prior years, gone through pervasive and fundamental disruptions that have led to extensive and unprecedented governmental intervention. Such intervention was in certain cases 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 was suddenly and/or substantially eliminated. In addition, as one would expect given the complexities of the global financial markets and the limited timeframe within which governments were able to take action, these interventions were sometimes unclear in scope and application, resulting in confusion and uncertainty which in itself was materially detrimental to the efficient functioning of such markets as well as previously successful investment strategies.

The United States Federal Reserve and certain non-US governments and supra-governmental agencies and organisations have previously taken, and in certain cases continue to take, significant steps to intervene in the financial markets. Current and future government and/or supra-governmental interventions may lead to a change in valuations of securities that is detrimental to the Funds’ and the Managed Accounts’ investments. Such intervention is subject to inherent uncertainties relating to prevailing economic conditions and political considerations. The Firm believes that it is possible that emergency intervention may take place again in the future. The Firm also believes that the regulation of financial markets is likely to be increased in the future. It is impossible to predict the impact of any such intervention and/or increased regulation on the performance of the Funds and the Managed Accounts or the fulfilment of their investment objectives.

Recent market turmoil resulting from the coronavirus (“COVID-19”) outbreak has prompted U.S. and non-U.S. governments, central banks and other government entities to introduce stimulus programs and other acts of governmental intervention to mitigate the economic fallout of the COVID-19 outbreak. No assurances can be made that any such measures would be successful. The implementation of such programs could increase the volatility of the markets in which the Funds and the Managed Accounts invest, resulting in rapid shifts in performance.

Effects of Health Crises and Other Catastrophic Events

Health crises, such as pandemic and epidemic diseases, as well as other catastrophes that result in disrupted markets and/or interrupt the expected course of events, such as natural disasters, war or civil disturbance, acts of terrorism, power outages and other unforeseeable and external events, and public response to or fear of such crises or events, may have an adverse effect on the operations of the Funds, Managed Accounts, the Firm and investments for clients. For example, any preventative or protective actions taken by governments in response to such crises or events may result in periods of business disruption either in specific countries or worldwide. Such actions may significantly reduce, delay, suspend or otherwise disrupt the operations of the Funds, the Managed Accounts, the Firm and the other service providers to the foregoing. Further, the occurrence and duration of such crises or events could adversely affect economies

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and financial markets either in specific countries or worldwide. The impact of such crises or events could lead to negative consequences for the Funds and the Managed Accounts, including, without limitation, significant reduction in the net asset value of clients, reduced liquidity of investments, restrictions on the ability of clients to value investments and the potential suspension of the calculation of net asset value and hence the suspension of issues, redemption and exchanges of shares. See further under “Market Disruptions”.

Market Disruptions

Clients 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 disconnection 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 clients from banks, dealers and other counterparties will typically be reduced in disrupted markets. Such a reduction may result in substantial losses to clients. In the past, a sudden restriction of credit by the dealer community has resulted in forced liquidations and major losses for a number of investment funds and other vehicles. Because market disruptions and losses in one sector can cause ripple effects in other sectors, many investment funds and other 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, as well as natural circumstances such as pandemics, may from time to time cause dramatic losses for clients 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 clients to liquidate affected positions and thereby expose them to losses. There is also no assurance that off-exchange markets will remain liquid enough for clients to close out positions.

Derivatives Risk and Volatility

DG Partners’ investment strategies may involve the purchase and sale of relatively volatile instruments such as derivatives. Price movements of forward contracts, futures contracts and other derivative contracts 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. Fluctuations or prolonged changes in the volatility of such securities, therefore, can adversely affect the value of investments.

Counterparty Risk

Clients will be subject to the risk of the inability of any counterparty to perform with respect to transactions, whether due to insolvency, bankruptcy or other causes.

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Liquidity

In extreme market conditions, it may be difficult for an investor or client to realize an investment at short notice without suffering a discount to market value. In such circumstances the investor may suffer a delay in realizing his investment or may incur a dilution adjustment. Depending on the types of assets invested in, there may be occasions where there is an increased risk that a position cannot be liquidated in a timely manner at a reasonable price.

Leverage

A proportion of the strategies' capital may be leveraged. While leverage presents opportunities for increasing the capital return, it has the effect of potentially increasing losses as well. Any event which adversely affects the underlying vehicles would be magnified to the extent the capital is leveraged. The cumulative effect of the use of leverage in a market that moves adversely to the underlying investment vehicles could result in a substantial loss to capital that would be greater than if capital were not leveraged.

Reliance on Models/Information Technology

The investment approach of certain of the Firm's clients is based on mathematical models, which are implemented as automated computer algorithms, that investment professionals at the Firm or BH-DG have developed over time. Substantial resources are committed to the updating and maintenance of existing models and algorithms as well as to the ongoing development of new models and algorithms. The successful operation of the automated computer algorithms on which those clients' investment approach is based upon the information technology systems used by the Firm and BH-DG and their ability to ensure those systems remain operational and that appropriate disaster recovery procedures are in place. Further, as market dynamics shift over time, a previously highly successful model may become outdated, perhaps without the Firm or BH-DG recognising that fact before substantial losses are incurred. There can be no assurance that the the Firm and BH-DG will be successful in maintaining effective mathematical models and automated computer algorithms under all or any market conditions. In addition, it is not known what effect, if any, the size of the assets under management or an increase in the total assets under the Firm and BH-DG's management will have on the performance of such models and algorithms.

Cybersecurity

The Firm, its clients and/or one or more of their respective service providers may be prone to operational, information security and related risks resulting from failures of or breaches in cybersecurity. Cyber incidents may cause disruption and impact business operations, potentially resulting in financial losses, interference with clients' ability to calculate 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 clients.

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Other risks

- Investments in the Funds and Managed Accounts are subject to restrictions on transfer, withdrawal and redemption and should be considered illiquid.
- As there is no recognised market for interests in the Funds (and no secondary markets are expected to develop), it may be difficult for an investor to realise its investment or to obtain reliable information about its value or the extent of the risks to which an investor is exposed through its investment.
- Past results of the Firm and its affiliates and their clients are not necessarily indicative of future performance of the Funds and Managed Accounts and performance may be volatile.
- The Firm (and in certain cases, BH-DG) have total investment and trading authority over the Funds, and the Funds are dependent upon the services of the investment managers. The use of a single advisor could mean lack of diversification and, consequently, higher risk.
- The Funds are not required to provide periodic pricing or valuation information to investors with respect to individual investments.
- The Funds and Managed Accounts are not subject to the same regulatory requirements as mutual funds or other regulated fund products.
- The Funds, Managed Accounts, the Firm and its affiliates are subject to conflicts of interest.
- Changes in interest rates or exchange rates may have an adverse effect on the value, price or income of interests in the Funds and/or Managed Accounts.
- A portion of the trades executed for the Funds and Managed Accounts may take place on markets outside the United States and the United Kingdom.
- The Funds and Managed Accounts are dependent on the services of certain key personnel, and if certain or all of them were to become unavailable, the Funds and Managed Accounts may prematurely terminate.
- The Firm will receive performance based compensation, which may give it an incentive to make riskier investments than it otherwise would and may offset the clients' trading profits.
- The Funds and Managed Accounts may involve complex tax structures and there may be delays in the provision of important tax information to investors.
- Returns generated from an investment in a Fund or Managed Account may not adequately compensate investors for the business and financial risks assumed.
- The Funds and Managed Accounts may make investments in securities of issuers in emerging markets. Investment in emerging markets involves particular risks, such as less strict market regulation, increased likelihood of severe inflation, unstable currencies, war, expropriation of property, limitations on foreign investments, increased market volatility, less favourable or unstable tax provisions, illiquid markets and social and political upheaval.

**Item 9.  
Disciplinary  
Information**

DG Partners does not have any disciplinary information to disclose.

**Item 10.  
Other  
Financial  
Industry  
Activities and  
Affiliations**

DG Partners is a registered Commodity Pool Operator with the Commodity Futures Trading Commission and is an approved Swap Firm and a member of the National Futures Association (the "NFA").

Below is a list of the Firm's management persons who are registered with the NFA as at the date of this Brochure:

Title	Name	Registration category	NFA ID
Chief Investment Officer, Chief Executive Officer	David Gorton	Principal, Swap AP	0438060
Chief Risk Officer	Maxwell Corden	Swap AP	0444854
Head of Research	Dr Stefanel Radu	Swap AP	0480736
Chief Operating Officer, General Counsel, Chief Compliance Officer	Umar Aziz	Principal	0443762

As mentioned previously, BH-DG is an investment adviser and a commodity trading adviser ("CTA") that is under common control with DG Partners, and is therefore an affiliate of the Firm.

Certain staff members of the Firm are employees or members of BH-DG and are seconded to DG Partners pursuant to a secondment and services agreement between DG Partners and BH-DG. Similarly, certain staff members of BH-DG are employees or members of DG Partners and are seconded to BH-DG pursuant to the same agreement. The staff members mentioned in the table above hold the same positions and registrations with the NFA in respect of BH-DG. DG Partners believes that potential conflicts of interest arising from this affiliation are mitigated by the terms of the secondment and services agreement as well as by DG Partners' compliance policies and procedures and organisational arrangements.

An affiliate of BH-DG, Brevan Howard US, LLC ("BHUS") is a registered broker-dealer, and may act as a placement agent for one of more of the Funds managed by DG Partners. DG Partners and/or its affiliate, BH-DG pay fees to BHUS in respect of the provision of those services. DG Partners believes that any potential conflicts of interest arising from the affiliation of BHUS with BH-DG or acting as a fund placement agent to such funds are mitigated by DG Partners' compliance policies and procedures.

<b>Item 10. Other Financial Industry Activities and Affiliations (continued)</b>	<p>An affiliate of BH-DG, Brevan Howard Asset Management LLP ("BHAM") may act as a capital introduction service provider to DG Partners and/or BH-DG. DG Partners and/or BH-DG may in the future pay fees to BHAM in respect of the provision of those services. DG Partners believes that any potential conflicts of interest arising from the affiliation of BHAM with BH-DG or acting as a capital introduction service provider to DG Partners and/or BH-DG are mitigated by DG Partners' compliance policies and procedures.</p>
<b>Item 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading</b>	<p>DG Partners has adopted a Code of Ethics policy which, among other things, contains provisions designed to (i) prevent improper personal trading by staff; (ii) prevent improper use of material, non-public information about securities recommendations made by DG Partners or securities holdings of advisory clients and (iii) identify conflicts of interest, including monitoring of gifts and entertainment issues that could arise involving DG Partners or its personnel.</p> <p>In summary, the Code of Ethics requires staff to disclose their personal holdings upon joining the Firm. Staff must also seek pre-approval from Compliance for all personal trading activity unless specifically excepted. If approval is granted, the staff member has 24 hours to engage in the transaction otherwise the permission is deemed revoked. Within 30 days of any trade, the staff member must submit evidence of the trade (including the key trade details) to Compliance for review. Staff who are considered "Access Persons" are also required to disclose their total holdings on an annual basis along with new brokers once per quarter.</p> <p>A copy of the Firm's Code of Ethics shall be provided to any investor or prospective investor upon request.</p>
<b>Item 12. Brokerage Practices</b>	<p><u>Soft Dollars/Client Commission Usage</u></p> <p>The Firm has not entered into any soft dollar or client commission sharing agreements. To the extent the Firm purchases research, this is paid for by the Firm.</p> <p><u>Best Execution</u></p> <p>DG Partners maintains approved counterparties with whom orders are typically placed. DG Partners generally has discretion to choose a counterparty or broker for executing orders, but in doing so shall assess and balance a range of all relevant factors which the Firm considers (in its reasonable determination) relevant to achieving the best result for clients.</p>

**Item 12.  
Brokerage  
Practices  
(continued)**

On a periodic basis, the list of approved counterparties will be reviewed and, where appropriate, the list will be amended.

The Firm has established an Order Execution Policy. Pursuant to the policy and applicable law, the Firm must take all sufficient steps to obtain the best possible result for its clients, taking into account the following execution factors:

- price;
- costs;
- speed;
- likelihood of execution and settlement;
- size;
- nature; or
- any other consideration relevant to execution of the order (for example, the minimisation of the potential market impact of the execution of the order).

In determining the relative importance of these factors, the Firm will take into account

- the characteristics of the client, including the categorisation of the client;
- the characteristics of the client order, including where the order involves a securities financing transaction;
- the characteristics of the financial instrument that are the subject of that order; and
- the characteristics of the brokers and/or execution venues to which that order can be directed.

The Order Execution Policy will not apply to the extent that the Firm follows specific instructions from a client when placing an order with, or transmitting an order to, another entity for execution, as to how to execute an order. In general, the Firm (as discretionary portfolio manager) will make all dealing decisions itself and will therefore control the allocation of orders among brokers and investment banks which are used for execution. However, where a client directs brokerage, the Firm may be unable to achieve most favourable execution of client transactions. Directing brokerage may cost clients more money. For example, in a directed brokerage account, the client may pay higher brokerage commissions because we may not be able to aggregate orders to reduce transaction costs, or the client may receive less favourable prices.

It should be noted that the Firm may conduct the execution of orders on behalf of its affiliate, BH-DG, on an outsourced basis. In such cases, the Firm will comply with its own Order Execution Policy.

Aggregation of Client Orders

Ordinarily, in respect of orders for different clients the pre-execution and post-execution allocation process will adhere to the below:



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*Discretionary macro trading:*

Where possible (taking into account the instrument traded, method of execution and client specific requirements), where orders are for more than one client, orders will be aggregated and entered into the market as a single trade (an "Aggregate Order").

Where an Aggregate Order is capable of being executed at one price (e.g. OTC FX orders), each client will receive their allocation at the same price; and

If for any reason it is not possible to achieve a single price of execution for all clients, then it will be necessary to deliver orders separately. In these circumstances a determination as to execution venue and/or broker shall be made in accordance with the Firm's Order Execution Policy and Allocation Policy. In so far as is reasonably practicable, DGP will seek to minimise any discrepancies and misalignments between its clients' accounts. Wherever reasonably possible, the Aggregate Order will be allocated between clients in a manner which ensures they each receive the correct number of lots at the same average price. Where this is not possible (e.g. because a single lot cannot be split across multiple accounts), "Buy" orders will be allocated in a fixed pre-determined order and "Sell" orders will be allocated in the same fixed pre-determined order so that, over time, no client consistently receives favourable or unfavourable treatment.

*Systematic trading:*

Where possible, the orders will be aggregated and entered into the market as a single trade.

OTC FX: FX orders are usually aggregated and executed at one price therefore each client will receive its allocation at the same price.

Futures: since aggregated futures orders may result in fills being executed at different prices, the Firm's in-house allocation algorithm will allocate the actual trades between the clients in order to ensure that each account receives the correct number of lots at the same average price, or where orders are filled at multiple different price levels as near as possible to the same average price as the algorithm is able to achieve.

Our systems monitor order allocation on a daily basis.

Trade Errors

DG Partners will seek to detect trade errors prior to settlement and promptly correct and mitigate any trade error losses. Certain trade errors will be borne by the Funds depending on the circumstances. To the extent that a trade error is caused by a counterparty of the Funds, such as a broker or agent, the Firm will seek to recover any related trade error losses from such counterparty. The Firm in its sole discretion may offset any trade error income with trade error losses.



### Item 13. Review of Accounts

The Firm reviews the investments in the strategies on an ongoing basis.

Personnel involved: The Firm's Chief Risk Officer, Maxwell Corden, is responsible for monitoring and reviewing clients' market risk on a day to day basis utilising our proprietary risk management systems. In addition, the Macro Risk Committee (comprising the Chief Risk Officer and the Head of Operations (Daniel Seaton)) meets periodically and maintains risk oversight of the Firm's macro clients whilst the Systematic Risk Committee (comprising the Chief Risk Officer, the Chief Investment Officer (David Gorton) and the Head of Research (Dr Stefanel Radu) ordinarily meets weekly and maintains risk oversight of the Firm's systematic trading clients.

Reporting: The Firm provides reports to investors and clients as set forth in the organizational and offering documents of the Funds as well as in the investment management agreements for the Managed Accounts. In particular, in relation to those Funds following a systematic trading strategy, daily, weekly, monthly and annual written performance reporting is available. The monthly reporting also contains reporting required under UK regulation (e.g. AIFMD disclosures). In relation to DG Macro Fund Limited, written monthly and annual performance reporting is available. The monthly reporting also contains reporting required under UK regulation (e.g. AIFMD disclosures). Estimates and bespoke reviews are available upon request. Annual audited financial statements are provided to all investors in the Funds annually.

Managed Account clients will primarily rely upon the relevant administrator to provide reporting data, although the Firm can also provide monthly and annual reporting to such clients along with other reviews and estimates upon request.

Clients and investors may also request additional reports that are customized to such client's specifications and/or risk reports that are compiled by third party risk aggregators.

### Item 14. Client Referrals and Other Compensation

As previously described, BHUS may act as placement agent to one or more funds managed by DG Partners and BHAM may act as a capital introduction service provider to DG Partners. In addition, the Firm and BH-DG have entered into an agreement with Old City Securities LLC ("OCS") whereby OCS provides placement agent services to the Firm and BH-DG. In each case, the Firm has entered into written agreements with these entities and any compensation is payable by the Firm out of management and performance fees paid to it. Neither clients nor investors pay compensation to these entities. The Firm may also pay an investor in the Funds a rebate of management or performance fees otherwise due in certain circumstances.

<b>Item 15. Custody</b>	<p>The cash and securities of the Funds and the Managed Account clients are held by third party custodians and DG Partners does not have custody of such cash or securities. However, DG Partners may be deemed to have constructive custody because an affiliate acts as general partner of the Funds. Accordingly, where applicable, the Firm will comply with the “audit exception” to the SEC’s custody rule and deliver audited financial statements to investors in the Funds within 120 days of the Funds’ fiscal year end.</p>
<b>Item 16. Investment Discretion</b>	<p>DG Partners has discretionary authority to manage the assets of the Funds and the Managed Accounts in a manner consistent with the stated investment objectives and guidelines of the applicable organizational and offering documents and the investment management agreements entered into between the Firm and its clients. Managed Account clients may specify bespoke restrictions for their accounts.</p>
<b>Item 17. Voting Client Securities</b>	<p>The investment strategies pursued by DG Partners do not currently involve the trading of single name equities. Accordingly, the Firm does not vote proxies. In the event that the Firm’s strategies change to include the trading of such securities, the Firm will adopt policies and procedures setting forth its voting responsibilities for proxies. A copy of such policies and procedures will be available upon request, as well as a record of all votes cast on behalf of the Firm’s clients.</p>
<b>Item 18. Financial Information</b>	<p>DG Partners has never filed for bankruptcy and is not aware of any financial condition that is likely to impair its ability to provide services to clients.</p>

## IMPORTANT INFORMATION

This document has been prepared by, and is being communicated by DG Partners LLP ("DG Partners").

DG Partners is authorised and regulated by the United Kingdom Financial Conduct Authority (the "FCA"). DG Partners is registered as a Commodity Pool Operator with the Commodity Futures Trading Commission ("CFTC") and is a member of the National Futures Association ("NFA").

DG Partners and each of its affiliates (including BH-DG Systematic Trading LLP ("BH-DG")) are collectively referred to in this document as the "Group". The investment strategies described herein may involve one or more entities which are part of the Group and certain of the functions described herein may be performed by employees of affiliates of DG Partners.

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The information, data and opinions contained in this document are for background purposes only, are not purported to be full or complete.

The investments (including in relation to the Funds), products and services referred to herein are only available to, such persons and in such jurisdictions and in such manner as is compliant with applicable laws and regulations (including, without limitation, relevant laws and regulations relating to the promotion, offering and provision of such investments, products and services). The information herein should not be relied or acted on by any other person or in any other circumstances.

### *UK*

In the United Kingdom, this document is directed only at, and made available only to, professional clients and eligible counterparties (as defined in the FCA Handbook). This material is not intended for use by, or directed at, retail customers (as defined in the FCA Handbook). DG Partners and its affiliates neither provide investment advice to, nor receive and transmit orders from, investors in any Funds nor do they carry on any other activities with or for such investors that constitute "MiFID or equivalent third country business" (as defined in the FCA Handbook).

### *US*

Interests in the Funds have not been and will not be registered under any securities laws of the United States of America or any of its territories or possessions or areas subject to its jurisdiction, and may not be offered for sale or sold to nationals or residents thereof except pursuant to an exemption from the registration requirements of the U.S. Securities Act of 1933, as amended (the "Securities Act"), and any applicable state laws. This document is only being provided to United States persons who are "accredited investors" as defined in Regulation D under the Securities Act and "qualified purchasers" as defined in the U.S. Investment Company Act of 1940, as amended, and the rules promulgated thereunder. Further, the Funds are only available to persons who are "Qualified Eligible Persons" as defined in Commodity Futures Trading Commission regulation 4.7. The Funds and any other investments, products or services described in this document are only available to such persons.