

BROCHURE
(Form ADV Part 2A)

Opus Investment Management LLC

1 State Street, 32nd Floor
New York, New York 10004
(T): 212-266-8280

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This brochure (“**Brochure**”) provides information about the qualifications and business practices of Opus Investment Management LLC (“**OIM**” or the “**Firm**”). If you have any questions about the contents of this Brochure, please contact us at 212-266-8280 or via email at ops@opusfund.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“**SEC**”) or by any state securities authority.

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

ITEM 2 – MATERIAL CHANGES

This Item 2 discusses material changes to this Brochure that occurred since the initial filing of this Brochure filed on June 30, 2021. All undefined terms have the meanings ascribed to those terms in this Brochure.

Item 4.A – Added information about certain OIM Employees also performing functions for some Affiliated Entities including charitable and philanthropic activities for FBE Limited.

Item 4.B – Added information about the launch of Opus Preferred and the termination of certain Opus Fund Classes.

Item 5.A – Update Fund Fee information.

Item 7 – Updated Fund Investor eligibility requirements.

Item 8.A – Added additional information about the Balanced Equity Class investment strategy. Changed applicability of investment strategies to various Classes in light of creation of Opus Preferred Classes and termination of certain Opus Fund Classes. Added additional information about initial due diligence of Investment Vehicles. Added to the Material Risks of Investment Strategies a risk disclosure for the Offshore Fund related to it including “plan assets” for purposes of ERISA and the Code. Revised the descriptions of the following Material Risks of Investment Strategies:

- Financial Markets Dislocation Generally
- Speculative Investments
- Special Risks Associated with Cryptocurrencies and Other Digital Assets
- Performance Allocation

Item 10.D – Added information about conflicts arising from FBE Limited and Employee charitable and philanthropic activities and how such conflicts are addressed.

11.B – Revised the description of the valuation procedures required to execute Cross Trades.

Item 11.C and 11.D – Added information about conflicts arising from FBE Limited’s investment advice to Charities.

Item 14.D – Added information about Opus Capital’s marketing of Funds.

Item 17.A – Added information about participation in Securities Litigation on behalf of Clients.

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ITEM 4 – ADVISORY BUSINESS

Below are certain key definitions used in this Brochure. Additional definitions are found throughout this Brochure.

<u>Term</u>	<u>Definition</u>
Access Person	Every Employee and Affiliated Entity Employee who (i) has access to non-public information regarding Clients' purchase or sale of securities; or (ii) is involved in making securities decisions or recommendations to Clients or has access to such decisions and recommendations that are not public.
Advisers Act	Investment Advisers Act of 1940, as amended.
Affiliated Entity	Any entity that controls or is under common control with OIM.
Affiliated Entity Employee	Every officer, director and employee of an Affiliated Entity and any other person acting in a similar capacity for an Affiliated Entity.
Client	Every account and investment fund managed by OIM.
Employee	Every officer, director and employee of OIM, every Management Committee member, every Investment Committee member, and any other person acting in a similar capacity for OIM.
Family Account	Every account managed by a Family Office.
Family Office	Any Affiliated Entity that is not registered as an investment adviser under the Advisers Act because it relies on the Advisers Act family office exclusion from the definition of investment adviser.
Investment Committee	The OIM Fund of Funds Division committee that has the exclusive responsibility for making discretionary investment decisions for Clients.
Management Committee	The committee that functions as the Firm's "Chief Executive Officer" and has overall management and supervisory responsibility over OIM's business activities.
Related Party	Each of the following: OIM, Supervised Persons and and/or their family members, Affiliated Entities and/or Family Accounts.
Supervised Person	Every Employee and Access Person.

Item 4.A – Advisory Firm

OIM, a Delaware limited liability company, is an investment advisory firm based in New York City that was founded in 2003. OIM is wholly-owned by FBE Limited LLC ("**FBE Limited**"), a New York limited liability company. The only person or entity that owns more than 25% of FBE Limited is Fruchthandler Descendants Partnership ("**FDP**"), a New York general partnership. All general partners of FDP currently own less than 10% of FDP.

OIM is managed by its Management Committee which has overall management and supervisory responsibility over OIM's business activities. All OIM executive officers and the Investment Committee are under the overall supervision and control of the Management Committee. The Management Committee consists of three members who are appointed by FBE Limited.

FBE Limited wholly owns several Affiliated Entities including two Family Offices. The Family Offices provide investment advice to Family Accounts which are owned primarily by indirect principals of FBE Limited, their family members and key employees of the Family Offices. Several Employees of OIM also perform various functions for some of the Affiliated Entities including the two Family Offices. The Affiliated Entities, the Family Offices and the Family Accounts are discussed in this Brochure in the context of conflicts of interest that may arise between these parties and OIM's Clients.

FBE Limited also is actively engaged in a substantial amount of charitable and philanthropic activities including the rendering of investment advice to several charitable organizations (each a "**Charity**" and collectively, the "**Charities**") for no compensation. Several Employees of OIM also perform various charitable and philanthropic activities on behalf of FBE Limited including assisting with the rendering of investment advice to the Charities. The charitable and philanthropic activities of FBE Limited are discussed in this Brochure in the context of various conflicts of interest that may arise between these activities and servicing OIM's Clients.

Item 4.B – Types of Advisory Services Offered

OIM provides discretionary investment advice to its Clients. OIM's Clients include only private pooled investment vehicles, currently OPUS Fund LLC ("**Opus Fund**"), Opus Preferred Fund LLC ("**Opus Preferred**" and collectively with Opus Fund, the "**Onshore Funds**") and OPUS Fund International Ltd. (the "**Offshore Fund**" and collectively with the Onshore Funds, the "**Funds**"). Each Fund is comprised of multiple investing classes (each, a "**Class**") that can differ from each other based on their investment strategies, liquidity rights, eligible investors, and/or management fees and performance-based compensation as well as the exemption from registration under the Investment Company Act of 1940, as amended (the "**1940 Act**"), pursuant to which they operate.

Prior to January 1, 2022, Opus Fund had five Classes: Diversified, Concentrated, Focused, Balanced Equity, and Credit Opportunities. On January 1, 2022, Opus Preferred was launched. Opus Preferred relies on the Section 3(c)(7) exclusion from the definition of investment company under 1940 Act while Opus Fund relies on the Section 3(c)(1) exclusion from the definition of investment company under the 1940 Act. At the time of Opus Preferred's launch, many Opus Fund investors who are eligible to invest in a Section 3(c)(7) private fund transferred their interests from Opus Fund to Opus Preferred including investors in the Opus Fund Balanced Equity, Focused and Credit Opportunities Classes. Consequently, Opus Fund no longer offers the Focused and Credit Opportunities Classes. Opus Fund continues to offer the Diversified, Concentrated and Balanced Equity Classes. However, since January 1, 2022, the Opus Fund Balanced Equity Class does not have any investors. Opus Preferred has five Classes: Diversified, Concentrated, Focused, Balanced Equity, and Credit Opportunities. The Offshore Fund has ten Classes: Diversified, B, C, E, H, K, M, PS, T and TP.

The Firm's investment strategies currently consist exclusively of investing each Class's assets into portfolios of domestic and international private investment funds (collectively, "**Investment Vehicles**"), which are commonly referred to as "hedge funds." The Investment Vehicles are managed by independent investment managers (collectively, the "**External Managers**"). Investment decisions for the Funds are made exclusively by the Investment Committee, which

consists of three members. OIM's affiliate, Opus Capital Management LLC ("**Opus Capital**"), is the administrative manager for each of the Funds and in that capacity performs all the administrative tasks that are required for the efficient operation of the Funds. Investments in the Funds are privately offered only to eligible investors. See Item 7 below for information about eligible investors.

Item 4.C – Services Tailored to Individual Needs of Clients

The relationship between OIM and each Fund is governed by such Fund's operating agreement, confidential offering memorandum ("**Memorandum**"), subscription agreements, and any exhibits, supplements or amendments thereto (all the foregoing, collectively, the "**Offering Documents**") and, where applicable, the terms of the investment advisory agreement between OIM and such Fund. Each Fund's investment objectives and restrictions are set forth in the Offering Documents. Opus Capital from time to time (whether granted through side letters or otherwise) permits certain Fund investors (including affiliated investors) to invest in a Class on different terms than other investors in the Class, including with respect to: (i) redemption rights; (ii) lower or no management fees and/or performance compensation; (iii) investment parameters; and (iv) such other provisions as Opus Capital may specify. The establishment or existence of different terms for certain investors will not entitle any other investor or class of investors to the same or similar terms, and neither Opus Capital nor OIM will be required to obtain the consent or approval of, or give notice to, any investor or class of investors in connection with those terms.

Item 4.D – Wrap Fee Programs

OIM does not participate as manager or investment adviser in any wrap fee programs.

Item 4.E – Client Assets

As of January 31, 2022, OIM managed approximately \$196,493,590 of "Regulatory Assets Under Management", all on a discretionary basis

ITEM 5 – FEES AND COMPENSATION

Item 5.A – Fees and Performance Allocations

OIM does not receive any management fees related to assets under management. Instead, Opus Capital receives a management fee monthly at an annualized rate based on assets under management, in the percentages per annum indicated below:

- (i) All Classes of Opus Fund, the Diversified, Concentrated, Focused, and Balanced Equity Classes of Opus Preferred and the Diversified Class of the Offshore Fund: 1.25% (reduced to 1% for any investor with an interest in a Class the net asset value of which is \$5 million or more)
- Credit Opportunities Class of Opus Preferred: 0.5%
- Other Classes (B, C, E, H, K, M, PS, T and TP) of the Offshore Fund: 1%

Management fees are subject to adjustment for any intra-month additions, redemptions, and distributions.

OIM is eligible to annually receive performance based allocations from the Classes based on a percentage of the annual increase in net asset value of each investor's account above a "high water mark" (i.e., the previous highest net asset value at which performance based compensation was paid), once a "hurdle rate" is reached. The applicable performance allocation percentage of the increase in net asset value of each investor's account, and the hurdle rate that must be reached before the allocation is paid, for each Class is as follows:

- All Classes of Opus Fund, the Diversified, Concentrated, Focused, and Balanced Equity Classes of Opus Preferred and all Classes of the Offshore Fund: 6% performance allocation, payable after 6% hurdle rate is reached
- Credit Opportunities Class of Opus Preferred: 10% performance allocation, payable after 10% hurdle rate is reached

OIM's performance based compensation is calculated taking into account both realized and unrealized gains.

Notwithstanding the foregoing, a performance allocation will not be permitted to result in a rate of return to an investor of less than the applicable hurdle rate for the year in which the calculation is made. If any performance allocation would cause such an occurrence, the performance allocation will be reduced to an amount which would result in a rate of return to the investor for the year in which the calculation is made (and after reduction in the net asset value of the investor's interest for the performance allocation) which is equal to the applicable hurdle rate.

Fees or performance allocations may be reduced or waived in certain circumstances or with respect to certain investors including, but not limited to, investors deemed strategic by OIM, Opus Capital and/or Related Parties.

The calculations for fees and performance allocations can be complex. Prospective and current investors are advised to review the Offering Documents applicable to a Class for further discussion of fees and performance allocations, including more detail on their calculation.

Item 5.B – How Fees and Performance Allocations Are Billed

Management fees payable to Opus Capital are accrued and paid monthly at the end of each month based on the net asset value of the Class in question on the last day of the month. The Funds' administrator calculates the management fee, and OIM approves the fee calculation. The administrator then deducts the fee from each investor's capital or shareholder account and transmits those amounts to Opus Capital.

Performance based compensation generally is charged annually in arrears at year end, or upon an intra-year redemption by an investor in a Class. The Funds' administrator calculates the performance based compensation, and OIM approves such calculation. The administrator then: (i) with respect to the Onshore Funds, transfers any earned allocation amounts to the capital account

of OIM; or (ii) with respect to the Offshore Fund, transfers any earned allocation amounts to Class P (the shares of which are all owned by OIM).

Item 5.C – Other Fees and Expenses

Each Class incurs other fees, costs and expenses related to operation of the Class, as follows: (i) its pro rata portion of the expenses of the Investment Vehicles in which it invests (which are indirect expenses serving only to affect the value of the Class' investments in Investment Vehicles), including transaction costs and investment-related expenses incurred in connection with the Investment Vehicles' trading activities, such as brokerage fees, broker-dealer markups, clearing costs, margin interest, and custodial expenses, as well as individual External Manager management fees and individual External Manager performance fees and allocations, and all due diligence expenses incurred in the selection and monitoring of the Investment Vehicles and External Managers; (ii) routine legal, accounting, auditing, tax preparation, and related fees and expenses, and taxes, if any; (iii) expenses associated with the continued offering of interests in the Class; (iv) its proportionate share of the Fund administrator's fees and related expenses; (v) all other operational expenses of a Class, including interest for permitted borrowings for bridge financings, such as to make new investment subscriptions on behalf of a Class before funds for the new subscriptions are available and/or to meet an investor's redemption request; (vii) for Offshore Fund Classes, their pro rata share of Bermuda Government and Directors' fees; and (vi) extraordinary expenses (e.g., litigation costs and indemnification obligations), if any.

As explained above, each Class incurs its own fees, costs and expenses related to operation of the Class. However, the Classes in a Fund are not legally and financially segregated from each other and, therefore, the assets of one Class in a Fund can be obligated to pay the liabilities of a different Class of that Fund. Consequently, to the extent any Class in a Fund cannot pay a particular fee, cost or expense attributable to the Class, such fee, cost or expense will be borne by the other Classes of the Fund.

Where there is an expense that is shared by more than one Class, OIM allocates such shared expenses among the applicable Classes: (i) pro rata based on each Class's capital; (ii) in proportion to the size of the investment made by each Class to which the expense relates; or (iii) in such other manner as OIM considers fair and reasonable.

OIM and Opus Capital bear their own overhead expenses, such as rent, salaries of personnel, and utility costs.

Item 5.D – Fees Charged in Advance

Neither OIM nor Opus Capital charge fees in advance.

Item 5.E – Compensation for Sales of Securities

Neither OIM or Opus Capital, nor any of their Supervised Persons, accept compensation for the sale of securities or other investment products.

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

As described in Item 5, each of the Classes can be assessed a performance allocation that will be reallocated to OIM. The fact that OIM receives performance-based compensation creates an incentive for OIM to recommend investments that are riskier than those that would be recommended under a different fee arrangement, as OIM captures a percentage of an investment's upside but does not suffer proportionately the downside of the investment. To address this conflict of interest, OIM has adopted policies and procedures that require the Firm to make investment decisions in the best interest of its Clients. Furthermore, the incentive to make risky investments may be tempered somewhat by the fact that losses will reduce a Class's performance and, thus, OIM's performance-based compensation. In addition, in certain cases, Related Parties make investments in particular Classes and, therefore, are subject to the downside on these Classes' investments, thus tempering OIM's incentive to make risky investments.

An additional conflict of interest arises because OIM and/or Opus Capital receive different levels of management fees and/or performance compensation from the various Classes. For example, OIM has an incentive to favor those Classes that pay higher compensation over those Classes that pay OIM and/or Opus Capital lower compensation. In addition, OIM has an incentive to favor those Classes where performance-based compensation is likely to be paid sooner. For example, if a Class's performance makes it unlikely that the Class will pay performance-based compensation for the current year, OIM has an incentive to allocate desirable investment opportunities to Classes that are likely to pay performance-based compensation for the current year. In addition, Related Parties hold varying amounts of interests in the Classes which creates an incentive for OIM to allocate desirable investment opportunities to the Classes in which Related Parties have a higher percentage of ownership ahead of Classes that have a lower percentage of Related Party ownership.

To address these potential conflicts of interest, OIM has established policies and procedures regarding the allocation of investment opportunities that are designed to treat the Classes fairly regardless of the level of compensation that the Firm receives from the Classes or other incentives OIM may have to favor one Class over another. Specifically, the Investment Committee determines the amount of any Investment Vehicle it wishes to sell or purchase for each Class prior to a trade, considering some or all of the following factors ("**Investment Factors**") with respect to each Class in making those decisions: (i) investment objectives, policies and restrictions; (ii) risk management requirements; (iii) amount of assets and available cash; (iv) liquidity/availability of the Investment Vehicles; (v) liquidity requirements of the Class; (vi) existing investments and portfolio construction; (vii) whether suitable alternative investments exist; (viii) regulatory restrictions and tax considerations; and (ix) eligibility and suitability to participate in the transaction. Based on the foregoing factors, the Investment Committee determines how much of each Class's assets ("**Target Amount**") would be in the best interests of the Class to invest in or redeem from an Investment Vehicle.

If OIM is not able to fully satisfy the Target Amounts of an Investment Vehicle established for each Class, generally, the Investment Committee will allocate the amount transacted to the various Classes on a pro rata basis in the same ratio as the intended Target Amounts. However, an allocation may not be made according to the Target Amounts due to various considerations, including, but not limited to, the following: (i) a pro rata allocation would result in a de minimis allocation to a Class or an amount less than the required minimum investment of a Class; (ii) a pro

rata allocation would result in unbalancing the diversification of a Class (based on factors including, but not limited to, risk, sector, subsector, issuer, and credit quality); (iii) a pro rata allocation would result in a Class not meeting an investment objective; and/or (iv) the Investment Committee determines for other investment management reasons that a pro-rata allocation would not be appropriate.

In addition, generally, any Class that consists exclusively of Related Party assets may not participate in a transaction unless all other Classes have received their full Target Amounts.

While OIM's goal with respect to allocations is to be fundamentally fair on an overall basis with respect to the Classes, there can be no assurance on an investment-by-investment basis that any particular Class will not be treated more favorably than another Class. Please see Item 12 below for more information about the Firm's allocation policies.

ITEM 7 – TYPES OF CLIENTS

OIM's only Clients are the Funds. Investor eligibility requirements for each Fund, as detailed in the Offering Documents, specify that investors must have (i) prior investment experience; (ii) adequate means of providing for their current needs and personal contingencies; (iii) no need for liquidity in the investment; and (iv) sufficient funds to afford a complete loss of principal. In addition, each Fund also has specific Investor eligibility requirements as follows:

- Opus Fund: Each new investor and each existing investor adding to its investment must be a Qualified Client as defined under the Advisers Act. In addition, Opus Fund is primarily for "Accredited Investors" as defined under the Regulation D under Securities Act of 1933, as amended.
- Opus Preferred: Each new investor and each existing investor adding to its investment must be an Accredited Investor and a "Qualified Purchaser" as defined under the 1940 Act.
- Offshore Fund: Investors must be (i) persons that are not "U.S. Persons" as defined under Regulation S promulgated under the Securities Act of 1933, as amended; or (ii) "U.S. Tax-Exempt Investors" as defined in the Offshore Fund's Offering Documents. In addition, each new U.S. Tax-Exempt Investor, and each existing U.S. Tax-Exempt Investor adding to its investment must be an Accredited Investor and a Qualified Purchaser.

The minimum initial amount required to be invested in any Class by an investor is \$250,000, though this requirement may be waived at the discretion of Opus Capital.

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

Item 8.A – Methods of Analysis and Investment Strategies

The investment objectives of the Funds is to achieve attractive risk-adjusted returns and, depending on the Class, either low absolute volatility or relatively low volatility. In all cases (except the Balanced Equity Class), the Funds also seek to maintain limited correlation with the traditional equity and fixed income markets and in the case of the Balanced Equity Class, relatively low volatility through a predominantly equity-focused approach providing low net exposure to the equity markets.. To achieve these investment objectives, each Class invests in a portfolio of Investment Vehicles in a variety of trading sectors.

Investment Strategies

The different strategies pursued by the External Managers of the Investment Vehicles in which the various Classes invest are summarized in turn below.

The Diversified Classes of the Funds, the Concentrated Classes of the Onshore Funds and the Focused Class of Opus Preferred

The External Managers variously employ strategies in all of the major hedge fund sectors: the relative value sector, the event driven sector, the tactical trading sector, and the equity long/short sector. These various sectors include “market neutral,” “non-directional,” “absolute return,” and “non neutral” or “directional” sectors depending on the strategies’ sensitivities to increases or decreases in stock, bond, or other markets as a whole. The External Managers are permitted to use a wide range of financial instruments, including, but not limited to, equities (common and preferred stocks), fixed income securities, mutual funds (open and closed end), ETFs options, futures and forward contracts, notional principal contracts and other derivative instruments. The Investment Vehicles also may buy or sell put or call options, enter into repurchase agreements and reverse repurchase agreements, and engage in short sales.

Relative Value Sector

External Managers seek to profit from mispricings of financial instruments, capturing spreads between related securities that deviate from their fair value or historical norms. Examples of sub-strategies within this sector are listed below and are further described in the applicable Fund’s Memorandum.

- Statistical arbitrage
- Market neutral
- Convertible arbitrage
- Fixed-income arbitrage
- Balance-sheet arbitrage
- Option volatility arbitrage

- Pairs trading
- Multi-strategy

Event Driven Sector

External Managers seek to identify companies that are subject to periodic corporate events such as restructurings, mergers, takeovers, spin-offs and other special situations. External Managers employ non directional strategies and seek to capitalize on the mispricings that occur due to market misconceptions about such events (either occurring or not occurring). Examples of sub-strategies within this sector are listed below and are further described in the applicable Fund's Memorandum.

- Merger arbitrage
- High yield/distressed
- Capital structure arbitrage
- Special situation arbitrage

Tactical Trading Sector

External Managers seek to capitalize on both relative and directional opportunities in global fixed income, currencies, and commodities. These strategies tend to exhibit very low correlations to traditional asset classes, as do the strategies within the relative value and event driven sectors. Examples of sub-strategies within this sector are listed below and are further described in the applicable Fund's Memorandum.

- Global macro
- Asset allocation
- Managed futures
- Emerging markets

Equity Long/Short Sector

External Managers engage in the strategy of buying "long" and selling "short" portfolios of securities or baskets of securities using a combination of fundamental and/or quantitative analysis to construct each portfolio position in anticipation of profiting from directional moves of the selected securities. Hedging with derivatives and options is also used to limit market exposure in appropriate circumstances. Some External Managers select portfolios of securities which, in the aggregate, have little market exposure in anticipation of profiting from the excess return provided by the portfolios over the market return. Examples of sub-strategies within this sector are listed below and are further described in the applicable Fund's Memorandum.

- Equity unhedged
- Value focused
- Aggressive growth

- Short sellers
- Sector investing

Credit Opportunities Class of Opus Preferred

The Credit Opportunities Class invests in a portfolio of domestic and international private Investment Vehicles that predominantly focus on credit opportunities. The External Managers may employ a variety of credit investment strategies and use a wide range of financial instruments and other rights and interests, including, but not limited to, securitized or structured credit products (such as asset-backed securities (“ABS”), including residential mortgage-backed securities (“RMBS”), commercial mortgage-backed securities (“CMBS”), and agency residential mortgage-backed derivatives and non-mortgage asset-backed securities), collateralized debt obligations (“CDOs”), collateralized loan obligations (“CLOs”), re-remics, and similar instruments, asset-backed loans, other secured and unsecured loans (including participations therein), fixed income products, notes, bonds, commercial paper, debentures, high-yield debt securities, distressed debt securities, mezzanine debt, bank debt, defaulted debt obligations, trade claims, other debt and convertible debt instruments and other fixed income securities, joint ventures (including those that deal in real estate and zoning strategies), warrants, listed and unlisted, registered and unregistered securities of various issuers, including, but not limited to, equity and equity-related securities, and rights to acquire the same of public and private issuers within or outside the United States, exchange traded funds, interests in or related to legal proceedings or judgments, bank hybrid capital, regulatory capital trades, re-securitizations, delayed delivery transactions, letters of credit, real estate, real estate related assets and other tangible assets, operating companies, contracts for differences, carbon credits, currencies, equipment lease certificates, equipment trust certificates, accounts and notes receivable and payable held by trade or other creditors, trade acceptances, contract and other claims, including bankruptcy claims and litigation claims, and such other instruments or interests as the External Managers deem appropriate. The Investment Vehicles also may buy or sell put or call options, enter into repurchase agreements and reverse repurchase agreements, engage in short sales and invest in futures contracts or options on futures, swaps (including total return swaps and credit default swaps), options, swaptions, warrants and derivatives. The Investment Vehicles may also hedge currency and interest rate exposure.

Various credit investment strategies may be employed by the External Managers for the Investment Vehicles, including, but not limited to, those listed below, which are further described in the applicable Fund’s Memorandum.

- Value oriented
- Event-driven
- Long/short and relative value
- Arbitrage
- Macro

The Balanced Equity Class of Opus Preferred and of Opus Fund if and when it Commences Trading in this Class

The External Managers may employ a variety of investment strategies to create long and short exposure in equity and equity-related securities and other interests of companies in various sectors, including, but not limited to, the technology, media, telecommunications, consumer, healthcare, industrial, utilities and financial services sectors. Those investment strategies may often not rigidly adhere to any particular investment formula or system. The External Managers may invest, both long and short, in equity and equity-related securities and other interests, whether traded on an organized exchange, through “pink sheets,” over-the-counter or otherwise, including investing in common stock, preferred stock, convertible securities, shares of beneficial interest, partnership interests, stock warrants and rights, options to buy or sell securities, mutual funds and exchange-traded funds.

In addition to primarily pursuing long/short investment strategies for the Investment Vehicles, the External Managers may employ a variety of other investment strategies as opportunities present themselves. Those strategies may include those utilized by the Diversified, Concentrated, and Focused Classes and, to a far lesser extent, those utilized by the Credit Opportunities Class, all as described above.

Other Classes (B, C, E, H, K, M, PS, T and TP) of the Offshore Fund

The other Classes (aside from Diversified) of the Offshore Fund invest in Investment Vehicles whose External Managers pursue a variety of the strategies described above with respect to the other Classes of the Funds, in the following general manner:

- Classes C, M, PS and T invest in Investment Vehicles with External Managers that primarily pursue strategies utilized by the Investment Vehicles selected by the Diversified, Concentrated, and Focused Classes and, to a far lesser extent, those selected by the Credit Opportunities Class.
- Classes B and TP invest in Investment Vehicles with External Managers that primarily pursue strategies utilized by the Investment Vehicles selected by the Credit Opportunities Class and, to a far lesser extent, those selected by the Diversified, Concentrated, and Focused Classes.
- Classes E, K and H invest in Investment Vehicles with External Managers that pursue strategies utilized by the Investment Vehicles selected by the Diversified, Concentrated, and Focused Classes and those selected by the Credit Opportunities Class in a relatively balanced manner.

General

In addition to the foregoing strategies, the Investment Vehicles in which the Classes invest may determine to invest in cryptocurrencies or other digital assets, including, but not limited to spot virtual currency transactions (all of the foregoing, “**Digital Assets**”).

Each Class is also subject to specific investment restrictions. Details on those restrictions are set forth in the Memorandum applicable to such Class.

Methods of Analysis

The following is a summary of the due diligence and investment review processes undertaken by OIM in managing the Funds. These processes include diligence conducted prior to investing in an Investment Vehicle, analyses undertaken to determine allocations to Investment Vehicles and ongoing diligence of Investment Vehicles in which the Classes are already invested. Each of these processes is described in more detail in the applicable Fund's Memorandum.

Initial Due Diligence

Due diligence of potential investment opportunities for the Funds entails a review of the factors described below:

- **Quantitative factors** – OIM evaluates each potential investment opportunity on the basis of its historical performance, historical risk profile and, where OIM believes warranted, the investment opportunity's drawdown patterns.
- **Qualitative factors** – OIM reviews each Investment Vehicle's offering materials to consider its material terms. OIM also endeavors to identify potential significant mismatches (i) between the liquidity of an Investment Vehicle's portfolio and its redemption terms and (ii) between an Investment Vehicle's redemption terms and those of the Funds. OIM also seeks to obtain information regarding each External Manager's policies and procedures with respect to cybersecurity, best execution, "soft dollars" and proxy voting by reviewing their Investment Vehicles' and/or Form ADVs' disclosures about such policies and procedures. In addition, OIM reviews an Investment Vehicle's due diligence questionnaire to the extent it maintains one and endeavors to meet with the Investment Vehicle's management team onsite or by video conference to gain further information regarding the investment and trading strategy, risk management/oversight procedures and trading operations.
- **Portfolio concentration** – OIM seeks to obtain position transparency with respect to each Investment Vehicle's portfolio, as appropriate. Based on the portfolio information received, OIM tries to determine whether an Investment Vehicle's portfolio is highly concentrated in specific positions, markets, geographies and/or sectors and its risk profile. Further, if there is a high concentration in certain positions, OIM seeks to evaluate the liquidity of those positions.
- **Portfolio management experience and service providers** – OIM also considers an External Manager's portfolio management experience and checks publicly available online sites for negative information such as lawsuits and criminal proceedings involving the External Manager, its principals and key personnel and the Investment Vehicle. OIM also requests information about the service providers (i.e., the auditor, administrator, accounting firm and legal counsel) and financial intermediaries used by the Investment Vehicle and, as

deemed appropriate, also seeks to contact them to verify their relationship with the Investment Vehicle and its External Manager and their key personnel.

Portfolio Construction

OIM aims to create portfolios that deliver consistently competitive risk-adjusted returns. OIM's approach to constructing portfolios for the Classes varies depending on each Class' investment strategies and risk profile. When constructing portfolios for multi-Investment Vehicle Classes, OIM believes it is important that no single External Manager cause the entire portfolio undue distress and, therefore, seeks diversification across External Managers consistent with each Class' investment strategies and risk tolerance. In addition, OIM also seeks diversification across identified investment strategies consistent with each Class' investment strategies and risk tolerance. In multi-Investment Vehicle Classes, the amount of External Manager and strategy diversification will vary depending on the amount of Investment Vehicles in a Class. With respect to single Investment Vehicle Classes, the majority of assets in those Classes are invested in multi-strategy Investment Vehicles that do not hold overly concentrated positions and that generate revenue from a diverse group of portfolio managers and strategies. Nevertheless, depending on the investment strategy to be pursued, there are a limited number of single Investment Vehicle Classes whose investment strategies are not diversified and are highly concentrated unlike most of the other Classes.

Investment Monitoring

OIM also takes steps to conduct ongoing due diligence of each portfolio investment to assess whether the External Manager of each Investment Vehicle (i) is adhering to its intended parameters as to permitted investments, instruments, sectors, and markets, type(s) and degree of leverage employed, performance and volatility, and risk exposures; and (ii) otherwise is operating consistent with its stated investment objectives, strategies, restrictions, and risk profile all as previously disclosed to OIM.

Material Risks of Investment Strategies

OIM has identified the following risks that investors may incur as a consequence of the investment strategies utilized by OIM and the External Managers. Investing in securities involves a risk of loss that the Classes and investors should be prepared to bear. An investor should carefully consider these risks when investing in a Class. ***Additional important information about some of the risk factors noted below for the Funds and the Classes are set forth in the Offering Documents for each Fund. In addition, there are additional risk factor set forth in the Offering Documents for each Fund that are not related to a particular investment strategy.***

Material risks of investing in all Classes include, but are not limited to, the following:

Investment Risks

No Guarantee Against Loss. An investment in a Class is speculative and entails a high degree of risk. There is no assurance that the Class will provide an acceptable return to investors or not incur substantial losses. Past performance is no assurance of future success.

Reliance on OIM and External Managers. A Class's success is dependent on the judgment and abilities of OIM in making investment allocation and reallocation decisions among Investment Vehicles and External Managers. Members do not have the opportunity to evaluate fully for themselves the relevant economic, financial, and other information regarding the Class's Investment Vehicles and External Managers. Furthermore, OIM is reliant upon the effort and abilities of the External Managers.

Operational Risk. Inherent in a fund of funds' structure is the operational risk that the policies and procedures of the External Managers may not be followed or, even if followed, may not adequately mitigate a particular risk. OIM conducts due diligence of the External Managers. However, due diligence is not foolproof and there can be no assurance that OIM's due diligence will be sufficient to determine that External Manager internal controls are being followed or are adequate.

Limits on Information. OIM may not always be provided with detailed information regarding all of the investments made by the Investment Vehicle because certain of this information may be considered proprietary information by the Investment Vehicle. This lack of access to information may make it more difficult for OIM to select, allocate among and evaluate the Investment Vehicles and may prevent OIM from fully appreciating all the risks involved in a particular Investment Vehicle's strategy.

Lack of Control. A Class does not control the underlying financial instruments in which an External Manager invests ("**Investment Vehicle Instruments**"), their choice of investments or their other investment decisions (including the leverage they utilize and the risks they assume). In addition, OIM generally does not have any control over the institutions selected by the External Managers for brokerage, clearing and custody services. There can be no assurances that such Investment Vehicle Instruments will be successful or will not result in substantial losses.

Financial Markets Dislocation Generally. U.S. and other financial markets around the world and their participants can be adversely affected by unusual and unpredictable market turmoil such as the upheaval in the global financial markets that occurred in 2008 and subsequent years, and more recently, COVID-19 and destabilizing geo-political events. Such turmoil is likely to have an adverse effect on the business of a Class and/or the Investment Vehicles and impede the Investment Vehicles', and therefore a Class's, ability to achieve their investment objectives effectively and respond on a timely basis to redemption requests, in whole or in part.

Epidemics and Pandemics. While the economic impact of the ongoing global outbreak of COVID-19 is presently uncertain, such outbreak and any future outbreak of an infectious disease or any other serious public health concern in a country, region or globally could materially harm the Investment Vehicles' investments. In addition, COVID-19 has led to significant volatility in the securities, commodities and other markets and the coronavirus and any future outbreak of an infectious disease or any other serious public health concern may lead to additional volatility and illiquidity of the Investment Vehicles' investments.

No Custody of Assets Allocated to External Managers. The Classes do not have custody of the assets allocated to the External Managers or the underlying Investment Vehicle Instruments held by the External Managers or the Investment Vehicles. Although the External Managers will be

subject to certain fiduciary duties, there can be no assurances against fraud, misappropriation or other misconduct by an External Manager.

Monitoring External Managers. OIM must ultimately rely on each External Manager to operate in accordance with the investment strategy or the guidelines laid out by such External Manager and the accuracy of the information provided to OIM by the External Manager. If an External Manager does not operate in accordance with its investment strategy or guidelines, or if the information concerning the External Manager's investment strategy or guidelines is not accurately reported to OIM, OIM will have limited recourse other than to terminate the External Manager which may not be feasible for an extended period of time if the External Manager imposes limitations on a Class's ability to redeem.

Possible Adverse Effects of Increasing the Assets Managed by the External Managers. It may be difficult or impossible for an External Manager to take or liquidate a position in a particular Investment Vehicle Instrument in accordance with its trading systems, methods or strategies due to the size of the accounts which are or may be managed by the External Manager. There can be no assurance that an External Manager's strategies will not be adversely affected by the additional equity represented by additions to a Class or otherwise.

Multi-External Manager Risk. The External Managers will not coordinate their investment strategies with each other and at times may take positions on behalf of a Class which are the same as, or opposite from, positions taken by other External Managers and result in, among other things, increased costs and more concentration in a limited number of types of Investment Vehicle Instruments.

Speculative Investments. The activities of the Investment Vehicles are speculative, may be volatile, and carry a high degree of risk. Moreover, because the Concentrated, Focused, Credit Opportunities and Balanced Equity Classes of the Onshore Funds and the other Classes of the Offshore Fund invest in fewer Investment Vehicles than the Diversified Class of each Fund, an investment in the Concentrated, Focused, Credit Opportunities or Balanced Equity Classes of the Onshore Funds and the other Classes of the Offshore Fund are more speculative than an investment in the Diversified Class of each Fund and have a higher risk of loss.

Use of Leverage. Some External Managers utilize leverage, in their discretion, which magnifies the gains and losses experienced by the Investment Vehicle, should be expected to increase transaction costs and other expenses, and can result in the selling of portfolio securities pledged as collateral at substantial losses.

Analytical Trading Techniques Are Not Foolproof. Although a technical trading approach may consist of a series of fixed rules applied manually or by computer, External Managers still must make certain subjective judgments and decisions. No assurance can be given that the External Managers will exercise such discretion and judgment correctly or that the market behavior that provided the basis for the External Manager's statistical predictions does not perform as expected.

Risk Controls. Events during the past years, including bankruptcy and other adverse financial results of major financial institutions, have focused attention upon the need for firms to maintain

adequate risk controls and compliance procedures. There is no assurance that the Classes' and the Investment Vehicles' controls and procedures will be adequate.

Limited Liquidity of Investments. Securities in which the External Managers trade may be thinly traded and relatively illiquid or may cease to be traded after an External Manager invests in such securities. The External Managers may invest in restricted securities that are not traded in public markets and are difficult or impossible to sell at prices comparable to the market prices of similar securities that are publicly traded.

Investment Restrictions. The Investment Vehicles may have restrictions in their governing documents that limit the ability to withdraw capital from or invest in these entities, other than at specified times, such as quarterly or at the end of the year. Such restrictions may limit a Class's flexibility to reallocate assets among the Investment Vehicles, or to honor a redemption request on a timely basis without the use of borrowed funds.

Hedging Activities. If the External Managers analyze market conditions incorrectly, employ strategies that are not optimal, or other adverse conditions prevail, their hedging techniques could result in a loss, regardless of the intent with which the position(s) were established. Further, a specific hedge may not be available with respect to a particular investment and even if available, may not perfectly match the position that is sought to be hedged. Hedging techniques also may increase volatility.

Valuation. The fund administrator, pursuant to delegated authority from the Classes, relies on valuations provided by the External Managers with respect to the value of a Class's investments in Investment Vehicles. There is no assurance that such valuations will be correct, especially with respect to assets that need to be fair valued, or that such information will be received in a timely manner. The External Managers' objectivity in determining valuations could be qualified by their incentive to present higher investment returns and/or to obtain higher fees.

Short Sales. Investment Vehicles may from time to time sell securities short in anticipation of the realization of a gain if the securities sold short should decline in market value. 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 to the Investment Vehicle, and therefore the loss of the entire amount of a Class's investment in the Investment Vehicle.

Special Situations. The Investment Vehicles may invest in securities of an issuer based upon, or in anticipation of, a special corporate event (including an event that may be characterized as a risk arbitrage situation, a spin-off, merger, or other reorganization). In special situation investing, there are risks that the anticipated special situation will not occur or that the anticipated benefit of the special situation will not be realized.

Distressed Securities. Securities of companies that have become financially distressed acquired by an Investment Vehicle may have to be held for extended periods of time. Proposed reorganizations of companies that issue distressed securities may not be consummated, or may be significantly delayed, for several reasons, including opposition by the management or shareholders or by regulatory agencies; discovery of undisclosed facts during due diligence; disputes over price or

other terms; litigation; a material adverse changes in the business or the securities markets generally; passage of legislation; and other circumstances.

Counterparty and Settlement Risk. In the event that a counterparty to an Investment Vehicle instrument or securities lending agreement becomes bankrupt, a Class may be subject to a risk of loss. Furthermore, when a Class borrows securities under a securities lending agreement, there is a risk that in the event the loan is terminated because of the counterparty's insolvency, the Class might not be relieved of its obligation to return the securities and might not be permitted to offset that obligation against the counterparty's obligation to return the Fund's collateral.

Derivative Instruments. Derivative transactions by the Investment Vehicles may expose the Funds' investments to increased risk. Certain derivatives instruments purchased by the Investment Vehicles may be privately negotiated and therefore may not be traded on an exchange. The risk of nonperformance by obligors on such instrument may be greater and the ease with which the Investment Vehicles can dispose of or enter into closing transactions with respect to such instruments may be less than in the case of exchange-traded instruments. The Investment Vehicles will have complete flexibility to invest in any securities and derivative instruments that may be developed and that may involve additional risks not described herein.

Special Risks Associated with Futures, Forwards and Options Trading.

- Price volatility. These instruments have a high degree of price variability and volatility, and substantial losses can result from their trading.
- Price limits. U.S. commodity exchanges may limit fluctuations in futures prices during a single day; such occurrences could prevent an Investment Vehicle from promptly liquidating unfavorable positions and subject the Investment Vehicle, and therefore a Class, to substantial losses, which could exceed the margin initially committed to such trades.
- Position limits. Certain instruments are also subject to position limits established by the CFTC or certain exchanges. All commodity accounts owned, held, controlled or managed by the External Managers and their principals and affiliates may be required to be aggregated for position limit purposes and could impair the External Managers' trading activities.
- Margin. The low margin deposits normally required in options and futures trading permit an extremely high degree of leverage, and a relatively small price movement may result in an immediate and substantial gain or loss to a Class. Investments leveraged to this extent may result in gains or losses in excess of the amount invested by an Investment Vehicle.
- Trading on non-U.S. futures exchanges. Investors could incur substantial losses from the Investment Vehicle's trading on foreign exchanges, which losses might not have occurred had the Investment Vehicle limited its trading to U.S. markets. Investment Vehicles that trade in foreign "principal markets" are more susceptible to counterparty defaults. Due to the absence of a clearinghouse system for many non U.S. markets, such markets are significantly more susceptible to disruptions (which may include prolonged suspensions of trading and involuntary settlement of positions at artificial prices) than are U.S. exchanges.

- Options trading. Options are speculative in that the whole cost of the option is lost unless the price of the underlying items concerned has moved in the anticipated direction and the option is exercised. However, liability is limited to the premium paid for the option. An option writer becomes obligated to purchase or sell shares at a specified price during a specified period. Ordinarily, option writing may subject the writer to unlimited personal liability, which is a risk factor for individuals trading directly. However, investors in a Class can participate in options trading without incurring such risk because the investors' liability is limited to the extent of their investment in the Class.

Special Risks Associated with Cryptocurrencies and Other Digital Assets. Digital Assets and the technology associated with them are evolving rapidly and are subject to a great deal of uncertainty and fluctuations with respect to regulatory treatment, price discovery, volatility, and potential liquidity issues. The opaque underlying market of many Digital Assets gives rise of increased risk of manipulation and fraud. In addition the loss, theft or destruction of a Digital Asset's "private key" (the unique set of characters that are required to access the Digital Asset) could result in a total loss of an Investment Vehicle's investment in the Digital Asset. Digital Asset exchanges and other intermediaries are new and largely unregulated and can be more exposed to fraud, theft, operational issues, security breaches, and cyberattacks, even more so than regulated exchanges. There is no assurance that the Digital Asset market, the technology, or the service providers necessary to accommodate it, will continue to support Digital Assets or will continue to grow or even exist.

Brokerage Firms and Custodians Engaged by External Managers May Fail. The institutions engaged by External Managers may encounter financial difficulties that could impair the operational capabilities or the capital position of the Investment Vehicle. In the event that an Investment Vehicle's broker becomes bankrupt, the Investment Vehicle may be subject to a risk of loss. There can be no guarantee in the event of a broker's insolvency that the pool of customer property held by the broker pursuant to applicable law will be sufficient to satisfy all customer claims, including those of the Investment Vehicles.

Management of Other Client Accounts. Each External Manager and its respective principals and affiliates (collectively, the "**External Manager Parties**") may manage or advise the accounts of clients other than an Investment Vehicle invested in by a Class, including other investment pools ("**Other Accounts**"). The investment methods and strategies the External Manager Parties utilize in managing and advising an Investment Vehicle may be utilized by them in managing Other Accounts; however, investment decisions and allocations will not necessarily be made in parallel among the Investment Vehicle and Other Accounts. Other Accounts may produce results that are materially different from those experienced by an Investment Vehicle. External Manager Parties may elect to allocate certain investments among an Investment Vehicle and Other Accounts; however, that allocation need not be made pro rata based on the capital in each account. An External Manager Party may have a conflict of interest in managing an Investment Vehicle and advising Other Accounts because the financial benefit derived from Other Accounts may be greater than that derived from the Investment Vehicle, which could provide an incentive to favor such Other Accounts.

Non-U.S. Investments. Trading in equities securities in securities markets outside of the U.S. exposes the Investment Vehicle (and, in turn, the Classes) to additional risks, including that: non-

U.S. securities markets may not be as developed, liquid or efficient as those in the United States; non-U.S. markets and non-U.S. issuers of securities are generally subject to less stringent or different regulations than are U.S. markets and issuers; there is often less publicly available information regarding non-U.S. issuers of securities than is typically available about U.S. issuers; custodial and brokerage expenses for transactions in non-U.S. securities may be higher than for transactions in U.S. securities; and the value of non-U.S. securities as measured in U.S. dollars may be affected favorably or unfavorably by changes in currency rates and exchange control regulations.

High Portfolio Turnover Rate. The Investment Vehicles may be subject to an unusually high portfolio turnover rate in some of their trading strategies, which may result in high transaction costs. High transaction costs or the inability to obtain prompt executions at desired prices may adversely affect the performance of a Class.

Concentration of Investments. Some of the Investment Vehicles may invest in a concentrated portfolio of investments in a single market sector (e.g., financial services, media/communications, or technology). The result of such concentration is that poor sector performance will have a more negative effect than would be the case in a more diversified investment.

Fees and Expenses. The External Managers charge management and performance fees for their services to the Investment Vehicles in which the Classes invest, which are in addition to the management fee and performance allocation paid to OIM and its affiliates. Management fees to the External Managers are paid without regard to an Investment Vehicle's profitability and may be substantial even during periods of loss. An Investment Vehicle may be required to pay performance based fees to certain External Managers within an Investment Vehicle at times when the Investment Vehicle as a whole has not realized a profit. Performance fees payable to the External Managers may create incentives for the External Managers to make investments that are riskier than would be the case in the absence of such arrangements.

External Managers' Limited Capacity. There is no assurance that the External Managers will, as a result of capacity constraints, agree to manage as much of a Class's assets as OIM determines to allocate to the External Managers. There also is no assurance that an External Manager will not terminate its relationship with an Investment Vehicle or return some assets under management.

Effects of Additional Capital. There are no restrictions on OIM's ability to raise additional capital for a Class. In addition, assets under management may increase internally by accumulation of profit. It is possible that such increase in assets may lead to a decline in the rates of return for a Class.

Substantial Redemptions. In the event that there are substantial redemptions from a Class, it may be more difficult for the Class to generate the same level of profits operating on a smaller capital base. Under such circumstances, in order to provide sufficient funds to pay redemptions, OIM might be required to liquidate positions at an inappropriate time or on unfavorable terms which could (i) adversely affect the value of the remaining interest in the Class, (ii) cause the Class to utilize borrowed funds in order to satisfy redemption requests, which could cause the remaining investors to bear the costs of such borrowings, or (iii) result in OIM choosing to liquidate the Class.

New Issues Representation. If a Member is unable to represent and warrant that it is not a “restricted person” within the meaning of the “new issues” rules of the Financial Industry Regulatory Authority, Inc., that Member may be limited in the amount of a Class’s profits, losses and expenses relating to “new issues” in which it may participate.

Designated Investments. Illiquid investments that are designated as such may have to be held for a substantial period of time because of market or industry conditions or other legal restrictions.

Legal, Governmental, Regulatory, Economic and Other Changes. Changes in existing law and governmental regulations with respect to the Investment Vehicles, the financial instruments in which they invest and trade, the taxation of their revenue, their reporting or other disclosure requirements or the markets in which they operate can adversely affect the Investment Vehicles’ returns and/or their ability to conduct their business. In addition, changes in economic or market conditions can affect substantially and adversely the business and prospects of the Investment Vehicles.

Fund Risks

Cybersecurity and Disaster Recovery. OIM and the External Managers may rely heavily on information technology and data management systems, of OIM, External Managers and those of their service providers (“**Service Providers**”). These systems can fail or be subject to natural or man-made interruption, damage, or destruction, including as a result of a massive cyberattack aimed at a country’s critical infrastructure and economic systems. Any failure, interruption, damage, or destruction of a Service Provider’s information technology and/or data management systems could have a material adverse impact on the operations of the Classes, including impairing their financial performance. In addition, a breach in the security of a Service Provider’s systems could result in the theft, disclosure, or loss of proprietary, confidential, and other sensitive information relating to the Classes. This could adversely affect the Classes and could result in, among other things, reputational harm or litigation.

Inter-Class Liabilities. OIM maintains separate valuations and books and records for each Class of interests. Nevertheless, the Classes are grouped under each of OIM Fund LLC and OIM Fund International Ltd. and ultimately those legal entities are responsible for all of their liabilities. Thus, since there is more than one Class of interests, each Class is at risk for the investment and other liabilities incurred by each other Class to the extent that another Class’ assets are not sufficient to cover those liabilities.

Transfer Restrictions; Limited Redemption Rights or Delayed Redemption Payments. An investor’s interest in a Class is not readily saleable and all transfers, assignments, and pledges must be approved by OIM to be effective. Redemptions from each Class are limited as described in the Memorandum associated with such Class, and Investment Vehicles may impose limitations of redemptions that also in turn adversely affect the ability of a Class to meet redemptions. Investors should carefully consider actual and potential liquidity restrictions before determining to invest in a Class and/or to add to or retain their investments in a Class.

Investor Due Diligence and Inquiries. Potential investors in a Class and current Members may conduct due diligence on the Class or OIM or may otherwise make inquiries in determining to

invest in (or maintain or increase an investment in) the Class (together, “**Due Diligence**”). Inquiring investors will obtain information other than the information that is provided (i) to all Members in the ordinary course of business, or (ii) to potential investors and other Members who conduct Due Diligence but do not make the same inquiries or that make the same inquiries at a different time.

Lack of Liquidity of Investment Vehicles. An Investment Vehicle may impose certain limitations on the ability of a Class to redeem its investment from the Investment Vehicle. This may in turn adversely affect the ability of a Class to meet redemptions, and may require the Class to temporarily suspend redemptions.

Foreign Currency Exposure. The value of the assets of each Class is calculated in U.S. Dollars. Investors bear the risk of any foreign currency exposure resulting from differences, if any, in the value of the U.S. Dollar relative to the currency of any country other than the United States in which an investor resides.

Reserves for Contingencies. Under certain circumstances a Fund may find it necessary to establish a reserve for contingent liabilities and/or withhold a portion of redemption proceeds, in which case the reserved/withheld portion would remain at the risk of the Fund’s activities until paid.

Performance Allocation. Investors may be subject to a performance allocation on unrealized profits that may never be realized. In addition, with respect to the Onshore Funds, since all capital contributions to the Diversified, Concentrated, and Focused Classes of the same Onshore Fund, are combined for purposes of determining interests in each such Class of the Onshore Fund, capital contributions are netted for purposes of calculating performance allocation in those Classes of the Onshore Fund. In contrast, since each capital contribution to the Credit Opportunities and Balanced Equity Classes constitute a separate interest in that Class, capital contributions will not be netted for purposes of calculating performance allocation in that Class. As a result, a performance allocation may be due and owing on aggregate investment in the Credit Opportunities and Balanced Equity Classes when a net profit on all such investments does not exist or is less than the performance allocation charged.

Accounting for Uncertainty in Income Taxes. Accounting Standards Codification Topic No. 740, “Income Taxes” (“**ASC 740**”), provides guidance on the recognition of uncertain tax positions. Among other things, ASC 740 could have a material adverse effect on the periodic calculations of the Net Asset Value of an Investment Vehicle in which the Fund has invested, including reducing the Net Asset Value of the Investment Vehicle to reflect reserves for taxes that may be payable. This could cause benefits or detriments to certain investors, depending upon the timing of their entry and exit from a Fund.

Taxes and Economics May Not Match During a Calendar Year. The income tax effects of an Investment Vehicle’s transactions to investors may differ from the economic consequences of those transactions during a calendar year. For example, an Investment Vehicle could be required to accrue income on its investments in advance of receiving the related payments.

Additional material risks of investing in the Balanced Equity Class (and any Class of the Offshore Fund pursuing similar strategies) include, but are not limited to, the following:

Other Permitted Strategies of Investment Vehicles. Although the Class will target low net long/short exposure to the equity markets, there is no assurance that this will be achieved if the Investment Vehicles materially deviate from their historical investment approach. The Investment Vehicles have not committed to continue to provide low net equity exposure and are permitted to engage in various other investment strategies that could adversely affect their investment returns. There can be no assurances that the Class' targeted low net long/short exposure to the equity markets will be achieved by investing in the Investment Vehicles or that the Class' investments will be successful and will not result in substantial losses.

Additional material risks of investing in any Class of the Offshore Fund

The Offshore Fund is currently deemed to include "plan assets" for purposes of the U.S. Employee Retirement Income Security Act of 1974, as amended ("**ERISA**") and Section 4975 of the U.S. Internal Revenue Code (the "**Code**"). Therefore, OIM will be required to forego investment transactions for the Offshore Fund if they are deemed non-exempt prohibited transactions under ERISA and/or Section 4975 of the Code. Moreover, there can be no assurance that, despite OIM's reasonable best efforts, the Offshore Fund may not inadvertently engage in a non-exempt prohibited transaction and if it were to do so (i) such transaction might have to be rescinded and (ii) the Offshore Fund may incur liabilities to counterparties that are disqualified persons in connection with such transaction.

Additional material risks of investing in the Credit Opportunities Class of Opus Preferred (and any Class of the Offshore Fund pursuing a similar strategies) include, but are not limited to, the following:

General Credit Market Risks

Interest Rate Risk. The prices of certain financial instruments tend to be sensitive to interest rate fluctuations. Thus, unexpected fluctuations in interest rates could cause the corresponding prices of the long and short portions of a position to move in directions which were not initially anticipated. Interest rate increases generally increase the interest carrying costs to the Investment Vehicles of borrowed securities and leveraged investments.

LIBOR Rate Replacement. The interest rate on certain of the financial instruments (and on certain mortgage loans) is based on the London Interbank Offered Rate, or "**LIBOR**". U.S. Dollar LIBOR is likely to be replaced by rates based on the U.S. Dollar Secured Overnight Financing Rate ("**SOFR**"). To the extent that the Investment Vehicles' debt investments bear LIBOR-based interest or that the Investment Vehicles hold indebtedness which accrues LIBOR-based interest, the replacement of those rates by new SOFR-based rates could reduce the Investment Vehicles' interest income or increase the Investment Vehicles' interest expense.

Impact of the Federal Reserve. Changing benchmark interest rates, and the Federal Reserve's actions and statements regarding monetary policy, can affect the fixed-income and mortgage finance markets in ways that could adversely affect the value of, and returns on, the Investment Vehicles' investments.

Credit Ratings. Credit ratings of debt securities are not a guarantee of quality. A credit rating represents only the applicable rating agency's opinion regarding credit quality based on the rating

agency's evaluation of the safety of the principal and interest payments. There is no assurance that a rating will remain for any given period of time or that a rating will not be lowered or withdrawn by the assigning rating agency.

Strategies and Permitted Investments Risks

Event Driven Investing. Because of the inherently speculative nature of event driven investing, the results of the Investment Vehicles' operations employing this strategy may be expected to fluctuate from period to period. Accordingly, investors should understand that the results of a particular period may not necessarily be indicative of results that may be expected in future periods.

Arbitrage Strategies. If the requisite elements of an arbitrage strategy are not properly analyzed, or unexpected events or price movements intervene, losses can occur which can be magnified to the extent the Investment Vehicles are employing leverage. Moreover, arbitrage strategies often depend upon identifying favorable "spreads," which can also be identified, reduced, or eliminated by other market participants.

Complexity of Legal and Financial Analysis. The companies in which the Investment Vehicles may invest, by the nature of their leveraged capital structures, may involve a high degree of financial risk, and there can be no assurance that the Investment Vehicles' rate of return objectives will be realized or that there will be full recovery of any capital invested. Moreover, it may be difficult to accurately determine an appropriate purchase price for the Investment Vehicles' investments.

Uncertain Exit Strategies. Due to the illiquid nature of some of the investments that the External Managers may make, the External Managers are unable to predict with confidence what, if any, exit strategy for a given investment will ultimately be available for the Investment Vehicles. Exit strategies that appear to be viable at certain times during the life cycle of an investment may be precluded by the time the investment is ready to be realized due to economic, legal, political or other factors.

Expedited Transactions. Investment analyses and decisions by the External Managers may be undertaken on an expedited basis in order to make it possible for the Investment Vehicles to take advantage of short-lived investment opportunities. In such cases, the available information at the time of an investment decision may be limited, inaccurate and/or incomplete, and the External Managers are unlikely to have sufficient time to fully evaluate information which is available.

Asset-Backed Securities. ABS may be highly illiquid and the value of ABS may fluctuate widely. There are a number of risks associated with ABS that may adversely affect the return realized on these securities by the Investment Vehicles, including changes in interest rates, insufficient collateral to cover payments, debtor protection under consumer credit laws, adequacy of documentation, servicing risks, changes in law or regulations, ability to liquidate ABS holdings, and the impact of fees payable to originators and servicers.

Residential Mortgage-Backed Securities and Other ABS. Mortgage-backed securities and other ABS (such as consumer loan ABS) may be subject to prepayment, call and extension risk. Additionally, changes in law or regulations and the exercise of foreclosure and other remedies may negatively impact the performance of such instruments.

Commercial Mortgage-Backed Securities. Some or all of the CMBS contemplated to be acquired by the Investment Vehicles may not be rated, or may be rated lower than investment-grade by one or more nationally recognized statistical rating organizations. Lower-rated or unrated CMBS, or “B-pieces,” have speculative characteristics and can involve substantial financial risks as a result. In addition, to the extent that the mortgage loans which underlie specific MBS are prepayable, the value of such mortgage securities may be negatively affected by increasing prepayments, which generally occur when interest rates decline. In addition, the value of CMBS and other MBS in which the Investment Vehicles may invest generally will have an inverse relationship with interest rates.

Collateralized Debt Obligations / Collateralized Loan Obligations. Holders of CDOs must rely solely on distributions on the underlying portfolio of assets of the related CDO (which can often be below investment grade) or proceeds thereof for payment, and there is a lack of an established, liquid secondary market for some CDOs. Investments in CLOs (i.e., CDOs collateralized by a pool of loans) are subject to a number of risks related to, among other things, changes in interest rates, the spreads of loans in the collateral pool, the rate of defaults and recoveries in the collateral pool, pre-payment rates, terms of loans purchased to replace loans in the collateral pool which have pre-paid, the exercise of remedies by more senior tranches and the possibility that no market will exist when the Investment Vehicles seek to sell their interests in CLO securities, among other things.

Insolvency of Structured Product Issuers. Most structured products in which the Investment Vehicles invest will be structured as bankruptcy-remote transactions, so that the Investment Vehicles will not have recourse to the parent/sponsor of the issuer in the event of any losses (and instead will have recourse only to the underlying collateral). There can be no assurance as to what standard a court would apply in order to determine whether the issuer was insolvent after giving effect to the incurrence of the indebtedness constituting the structured product. In addition, in the event of the insolvency of an issuer, payments made on the related structured product could be subject to avoidance as a preference if made within a certain period of time (which may be as long as one year) before insolvency.

Structured Finance Securities. Structured finance securities may present risks similar to (or even greater than) those of the other types of ABS in which the Investment Vehicles may invest. Among other risks, structured finance securities may be subject to prepayment risk, credit risk, liquidity risk, market risk, structural risk, legal risk and interest rate risk. In addition, the performance of a structured finance security will be affected by a variety of factors, including the level and timing of payments and recoveries on and the characteristics of the underlying repackaged securities, the remoteness of those assets from the originator or transferor and the adequacy of and ability to realize upon any related collateral. Furthermore, Investment Vehicles often will not have recourse to the parent/sponsor of the issuer in the event of losses.

Distressed Companies. Distressed securities will have low or no ratings. Any one or all of the issuers of the Investment Vehicles’ investments, directly or indirectly, may be unsuccessful or not show any return for a considerable period of time. It frequently may be difficult to obtain information as to the true condition of these issuers. There is no assurance that the External Managers will correctly evaluate the nature and magnitude of the various factors that could affect the prospects for a successful reorganization or similar action

Investment Grade Debt Securities. Investment grade debt securities have various risks including (among other things) lack of credit collateral and risks caused by changing interest rates or credit spreads and economic downturns.

Non-Investment Grade Debt Securities. Financial instruments that are unrated or are in the lower rating categories are subject to greater risk of loss of principal and interest than higher rated securities and are generally considered to be predominately speculative with respect to the issuer's capacity to pay interest and repay principal. In addition, the market for lower rated securities is thinner and less active than that for higher rated securities, which can adversely affect the prices at which these securities can be sold. Investments in sovereign debt involve special risks in that in the event of default, the Investment Vehicles' recourse against the issuer may be limited.

Corporate Debt. To the extent that an Investment Vehicle engages in transactions in individual debt instruments, that Investment Vehicle will be subject to the risk of issuer default, early issuer redemptions and changes to the market value of the debt instruments due to interest rates and maturity.

Fixed Income Investments. The value of fixed income financial instruments will change as the general levels of volatility and interest rates fluctuate. Investments in lower rated or unrated fixed income financial instruments, while generally providing greater opportunity for gain and income than investments in higher rated financial instruments, usually entail greater risk (including the possibility of default or bankruptcy of the issuers of these financial instruments).

Commercial Mortgage Loans. Commercial mortgage loans generally are viewed as exposing a lender to a greater risk of loss through delinquency, default and foreclosure than lending on the security of single family residences. Exercise of foreclosure and other remedies may involve lengthy delays and additional legal and other expenses on top of potentially declining property values.

Residential Mortgage Loans. Delinquencies and losses with respect to residential mortgage loans generally increase, with among other things, declining or flattening housing prices and appraisal values, the increase in monthly payments on adjustable-rate mortgage loans, negative amortization features, serious financial difficulties and/or, bankruptcy of subprime mortgage loan originators.

Secured Loans. Secured loans are relatively illiquid, their risk of default is greater than with many other types of debt obligations and they are subject to pre-payment risk.

Second Lien Loans and Unsecured Loans. There is limited historical data on the performance of second lien loans in adverse economic circumstances. Second lien holders may have waived many of the rights of secured creditors, and some rights of unsecured creditors, including rights in bankruptcy which can materially affect recoveries.

Mezzanine Loans. Mezzanine loans typically have greater credit and liquidity risk than loans and are typically less liquid than high-yield bonds.

Bridge Loans. There is little history for investors to rely upon in evaluating investments in bridge loans. Borrowers and lenders typically agree to shorter maturities based on the anticipation that the bridge loans will be replaced with other forms of financing within such shorter time period.

However, if bridge loans are not repaid (or cannot be disposed of on favorable terms) on the dates projected by the External Managers, there may be an adverse effect upon the Investment Vehicles' performance and ability to make distributions.

Bank Loans. Bank loans and participations are subject to the risk of counterparty default and additional are unique risks, including, without limitation: (i) the possible invalidation of an investment transaction as a fraudulent conveyance under relevant creditors' rights laws; (ii) so-called lender-liability claims by the issuer of the obligations; (iii) environmental liabilities that may arise with respect to collateral securing the obligations; and (iv) limitations on the ability of the Investment Vehicles to directly enforce their rights with respect to participations. In addition, bank loans are not as easily purchased or sold as a publicly traded security.

Debtor-in-Possession Loans. Debtor-in-Possession loans involve a fundamental credit risk based on the debtor's ability to make principal and interest payments and the inherent risks of the bankruptcy process. In addition these positions may be illiquid, difficult to value and subject to price volatility.

Cross-Collateralized Loans. Cross-collateralization arrangements may be subject to challenge, which could result in the subordination or invalidation of the Investment Vehicles' interest in the collateral or the loan itself.

"Covenant-Lite" Loans. The borrowers of "covenant-lite" loans are subject to fewer covenants than other borrowers which may increase the likelihood that "covenant-lite" borrowers could default on their payments.

Non-Recourse Obligations. The Investment Vehicles, as holder of non-recourse obligations, must rely solely on distributions of proceeds of collateral debt obligations and other collateral pledged to secure obligations for payments due in respect of principal thereof and interest thereon. Following liquidation of all the collateral, the obligations of the issuers to make such payments will be extinguished.

Prepayments. Certain debt that the Investment Vehicles may invest in may be repaid early thus adversely affecting the expected performance of such instruments.

Municipal Bonds. Among other risks, tax-exempt municipal bonds may be declared taxable by the U.S. Internal Revenue Service because of noncompliance with federal tax law requirements, be subject to issuer credit risk and, in the case of insured or other credit enhanced bonds, the risk of deterioration in the creditworthiness of the insurer or other credit enhancer.

Bankruptcy Related Risks. With regard to the investments in the debt of companies undergoing or which may undergo bankruptcy or restructuring proceedings, there may be risks related to court control if matters, the unpredictable or lengthy duration of a bankruptcy or restructuring proceedings, invalidation of the loan in whole or part under bankruptcy laws, and high costs associated with bankruptcy proceedings.

Bankruptcy Involving Non-U.S. Companies. Investment in the debt of financially distressed companies domiciled outside the United States may differ substantially from that in the United

States, resulting in greater uncertainty as to the rights of creditors, the enforceability of such rights, reorganization timing and the classification, seniority and treatment of claims

Foreclosure and Collection. It is possible that the Investment Vehicles may find it necessary or desirable to foreclose on certain loans but the borrowers may resist by asserting numerous claims, counterclaims and defenses against the Investment Vehicles. This can lead to a lengthy and expensive process and force the lender into a modification of the loan or a favorable buy-out of the borrower's position.

Post-Reorganization Securities. Post-reorganization securities can be subject to heavy selling or downward pricing pressure after the completion of a bankruptcy, reorganization or restructuring.

Credit Default Swaps. There is an inherent risk in being able to predict the likelihood of a credit event under a credit default swap. If an Investment Vehicle is the purchaser under the swap agreement and no credit event occurs, the Investment Vehicle will not recoup the premiums it paid to the seller. Likewise, if an Investment Vehicle is the seller under the swap agreement, it may be required to pay an amount upon the occurrence of a credit event that far exceeds the periodic premium payments received by that Investment Vehicle under the swap agreement.

Preferred and Hybrid Securities. Preferred stock, unlike common stock, offers a stated dividend rate payable from an issuer's earnings. If interest rates rise, the fixed dividend on preferred stocks may be less attractive, causing the prices of preferred stocks to decline. Preferred stock may have mandatory sinking fund provisions and call/redemption provisions prior to maturity, which are negative features when interest rates decline.

Investments in Small to Medium Capitalization Companies. Investments in loans issued to, and debt instruments of, private middle-market companies may involve a significant number of risks including but not limited to, limited liquidity, increased volatility, lack of adequate public information about such companies, more vulnerability to competitors' actions and market conditions, loss of management talent, lack of sufficient capital as well as general economic downturns.

Investor Activism. The External Managers may from time to time actively seek to influence the management or business direction of some of the companies in which the Investment Vehicles invest. However, such investments bear the risk that: (i) the company resists the Investment Vehicle's efforts to exert influence; (ii) the Investment Vehicle's proposed strategy may prove to be unwise or misguided; (iii) a substantial period of time may elapse between an Investment Vehicle's purchase of the investment and the achievement of the anticipated results; (iv) Investment Vehicle will be restricted in transacting in or withdrawing a particular investment as a result of its activist investment strategy; and (v) an Investment Vehicle may become involved in expensive litigation and incur liability.

Control Positions. To the extent that an Investment Vehicle or one of its affiliates owns a controlling stake in, has representatives on a board of directors or is deemed an affiliate of, a particular company, it may be subject to certain additional securities law restrictions which could affect both the liquidity of the Investment Vehicle's interest and the Investment Vehicle's ability to liquidate its interests without adversely impacting the stock price.

Participation on Committees. If an External Manager joins an investor committee, it may be deemed to have duties to other investors represented by the committees, it may expose the Investment Vehicle it manages to liability from other investors, and it may cause an Investment Vehicle to be considered an “insider” for purposes of the federal securities laws.

Lender Liability Considerations and Equitable Subordination. Certain Investment Vehicles that make loans could be subject to allegations of lender liability. In addition, under common law principles that in some cases form the basis for lender liability claims, a court may elect to subordinate the claim of the offending lending institution to the claims of the disadvantaged creditor or creditors, a remedy called “equitable subordination.”

Repurchase Agreements. Repurchase agreements involve either the sale of a financial instrument by an Investment Vehicle and an agreement to repurchase the financial instrument at a specified time and price or the purchase by the Investment Vehicle of a financial instrument with an agreement to resell it to the seller at a specified time and price. A default by either party in a repurchase transaction could cause losses to the other party.

Exchange Traded Funds (ETFs). As an investor in ETFs, an Investment Vehicle will bear its ratable share of various fees, allocations and expenses of the ETF, all of which are embedded in the net asset value of the ETF. The primary risk factor relating to ETFs is that the general level of stock or bond prices may decline, thus affecting the value of an equity or fixed income ETF, respectively.

Trade Claims and Similar Claims. The Investment Vehicles may invest in unsecured claims held by entities owed for goods, services or other losses against companies that have filed for bankruptcy protection (each, a “trade claim”). Various factors could subject a trade claim to losses, to be illiquid, to settlement risk or to a delay of realization of the value of such trade claim. Further, the purchaser of a trade claim may be subject to credit and litigation risk which may cause significant losses.

Investments Related to Legal Proceedings and Judgments. The investments made by the Investment Vehicles may include litigation funding and debt or equity investments in companies engaged in litigation or arbitration proceedings. Assessing the values, strengths and weaknesses of a claim is complex and the outcome is not certain. Should cases, claims, defenses or disputes in which the Investment Vehicles invest prove to be unsuccessful or produce returns below those expected, the value of the Investment Vehicles investments in these instruments could be adversely affected or cause the Investment Vehicles to sustain a complete loss.

General Real Estate Risks. The Investment Vehicles may make real estate investments, including both the direct acquisition of real estate assets and the purchase of whole mortgage loans and securities backed by mortgage loans secured by real estate. These investments will be subject to the risks and financial obligations incident to the lending, ownership and operation of commercial and residential real estate including a complete loss on the investment. With respect to investments in equity or debt securities, the Investment Vehicles will in large part be dependent on the ability of third parties to manage successfully the underlying real estate assets.

U.S. State Laws. Applicable U.S. state laws generally regulate interest rates and other charges, require certain disclosures, and may require licensing of loan originators from whom or from which the Investment Vehicles may acquire Investments. In addition, other state laws, public policy, and general principles of equity relating to the protection of consumers, unfair and deceptive practices, and debt collection practices may apply to the collection of principal and/or interest under the investments held by the Investment Vehicles.

Non-U.S. Securities. Investments in securities of non-U.S. issuers (including non-U.S. governments) and securities denominated or whose prices are quoted in non-U.S. currencies pose (to the extent not hedged) currency exchange risks (including blockage, devaluation and non-exchangeability) as well as a range of other potential risks.

Emerging Markets. Emerging markets tend to be inefficient and illiquid as well as subject to political and other factors which do not typically affect more developed economies. These factors may cause emerging market securities to sustain losses.

As noted above, additional important information about the material risks associated with investing in the Funds may be obtained by reviewing the Funds' Offering Documents or by contacting OIM.

ITEM 9 – DISCIPLINARY INFORMATION

There are no disciplinary or legal events to report.

ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Item 10.A – Broker-Dealers

OIM is not registered, and does not have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

Item 10.B – Futures and Commodity Trading

Opus Capital relies on the relief from commodity pool operator registration provided by CFTC Letter No. 12-38, dated November 29, 2012, for commodity pool operators of fund-of-fund vehicles.

Item 10.C – Material Relationships

As noted in Item 4 above, Opus Capital is the administrative manager for each of the Funds and in that capacity is responsible for administering all of the Funds' business and affairs other than the Funds' investment activities.

Item 10.D – Other Investment Advisors

As noted in Item 5 above, investors in a Fund indirectly pay expenses, management fees and performance-based compensation of the Investment Vehicles in addition to the Fund expenses, management fees paid to Opus Capital, and performance-based compensation paid to OIM. If the

investors invested directly with the Investment Vehicles, they would not pay such Fund expenses, management fees, or performance-based compensation.

As noted in Item 4.A, FBE Limited and several OIM Employees on FBE Limited's behalf are engaged in a substantial amount of charitable and philanthropic activities. These charitable and philanthropic activities include both contributions of time and/or financial resources to the Charities. External Managers, Fund service providers, investors in the Funds, consultants, and financial advisors to prospective and existing investors in the Funds and the respective principals of the foregoing may engage in similar philanthropic activities for other charitable organizations. FBE Limited and its related persons including OIM Employees acting on behalf of FBE Limited, on the one hand, and such other entities and their principals, on the other hand, from time to time solicit each other to assist their respective philanthropic causes such as by making financial donations and attending fundraising events. These solicitations could create potential conflicts of interest. For example, an External Manager's financial donations or lack thereof to Charities at the request of OIM Employees on behalf of FBE Limited could potentially influence the OIM Employees' decisions on allocating Fund assets to Investment Vehicles managed by the External Manager. Nonetheless, it is the policy of OIM that any financial donation or lack thereof to a Charity by an External Manager will not, under any circumstances, be a factor in the investment management process and OIM has adopted procedures to monitor that its investment management process is consistent with this policy.

ITEM 11 – CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

Item 11.A – Code of Ethics

OIM has adopted a Code of Ethics (the “**Code**”) which sets forth the ethical and fiduciary principles and related compliance requirements under which OIM operates and the procedures for implementing those principles. The Code includes provisions that govern fiduciary duties, Client opportunities, insider trading, personal trading, gifts and entertainment, outside business activities and confidentiality.

The Code contains policies and procedures that, among other things:

- Prohibit Supervised Persons from benefitting at the expense of any Client;
- Require Supervised Persons to comply with federal securities laws;
- Place limitations on personal securities trading by Supervised Persons (as further described below);
- Require Supervised Persons to preclear certain personal securities transactions;
- Require Access Persons to submit initial and annual reports of personal securities holdings and quarterly personal securities transaction reports to OIM's Chief Compliance Officer (the “**CCO**”).
- Require the CCO or his/her designee to review Access Persons personal transaction and holdings reports; and
- Require reporting of violations of the Code.

The Code is available to any Client or prospective Client upon request by contacting the CCO at (212) 266-8240.

Item 11.B – Participation or Interest in Client Transactions

Principal Transactions

Section 206(3) of the Advisers Act prohibits OIM from knowingly effecting, as principal, any purchase or sale of a security to or from a Client (a “**Principal Transaction**”) without disclosing to the Client the capacity in which OIM is acting and obtaining the Client’s consent to the trade prior to settlement. OIM would be considered to be acting as a principal for a Class in which Related Parties collectively beneficially own 25% or more of the Class’s equity (“**Principal Class**”). Consequently, transfers of Investment Vehicle interests between a Principal Class and any other Class of the Funds would be deemed Principal Transactions. In addition, transfers of Investment Vehicle interests between Principal Classes would be deemed Principal Transactions. Furthermore, transfers of Investment Vehicle interests between any Class and Family Accounts would be deemed Principal Transactions. For purposes of this subsection of the Brochure, the Family Accounts and the Principal Classes, are referred to collectively as, the “**Principal Accounts**” and each, a “**Principal Account**.”

From time to time, OIM may determine that it is in the best interest of a Class to engage in a Principal Transaction. However, OIM faces various conflicts of interest when executing Principal Transactions including, but not limited to, the fact that OIM may have an incentive to (i) price Investment Vehicle interests in a Principal Transaction in a manner that advantages a Principal Account; (ii) transfer undesirable Investment Vehicle interests from a Principal Account to a Class that is a Non-Principal Account or a different Principal Account; and/or (iii) cause a Class (a) that is a Principal Account to transfer desirable Investment Vehicle interests to a different Principal Account or (b) that is a Non-Principal Account to transfer desirable Investment Vehicle interests to a Principal Account.

To address these conflicts of interest and the consent requirements of Section 206(3), OIM has adopted the procedures described below.

Prior to executing any Principal Transaction, the Investment Committee will make a determination that the proposed Principal Transaction is in the best interest of the Classes participating in the transaction. The interests of Investment Vehicles purchased or sold in Principal Transactions will be priced at the net asset value of the Investment Vehicle on the date of the transaction as determined by the Investment Vehicle’s investment manager.

Prior to executing any Principal Transaction, OIM will obtain written consent from each Class involved in the transaction other than from a Principal Class where its counterparty in the transaction is a non-Principal Class. These consents will be obtained on a transaction-by-transaction basis in the following manner:

- With respect to Classes of the Offshore Fund, OIM will obtain the consent from the Offshore Fund’s independent director or an independent authorized representative appointed by the Offshore Fund’s board of directors; and

- With respect to the Onshore Funds, Opus Capital will obtain the consent by either establishing for each Class a committee of independent members of the Class (“**Investor Committee**”) or appoint an independent authorized representative to consent to each Principal Transaction involving the Class. If an Investor Committee is established for a Class, it will consist of at least three Class members that are not Related Persons. If a Class has less than three non-Related Person members, then all of the non-Related Person members must consent to Principal Transactions involving the Class unless an independent representative has been appointed to provide these consents.

When requesting consent to a Principal Transaction, OIM will describe the manner in which the Investment Vehicle interest being transferred will be priced and also will describe OIM’s conflicts of interest in executing the Principal Transaction. The independent director of the Offshore Fund, the Investor Committees and/or independent representatives, as applicable, will not be under any obligation to provide Principal Transaction consents, and may deny consent for any Principal Transaction, in which case the applicable Principal Transaction will not be executed.

Cross Trades

A cross trade (“**Cross Trade**”) occurs when an investment adviser crosses a trade between client accounts without charging transaction-based fees in connection with the transaction. From time to time, OIM may determine that it is in the best interest of its Clients to Cross Trade interests in Investment Vehicles between Classes. OIM may Cross Trade between Classes, provided: (i) neither participating Class is a Principal Class; (ii) the Investment Vehicle interest exchanged in the Cross Trade is priced at its net asset value on the date of the transaction as determined in accordance with OIM’s valuation procedures; and (iii) the Investment Committee has made a determination that the Cross Trade is in the best interests of both Classes involved in the Cross Trade. All Cross Trades will be reviewed by the CCO or his/her designee no less frequently than quarterly.

Item 11.C and 11.D – Personal Trading and Family Account Trading

Personal Trading

As noted in Item 6 above, Related Parties hold varying amounts of interests in the Classes, which creates an incentive for OIM to allocate desirable investment opportunities to the Classes in which Related Parties have a higher percentage of ownership ahead of Classes that have a lower percentage of Related Party ownership. As described in Item 6, OIM has adopted policies and procedures to address this conflict of interest.

However, OIM Supervised Persons are also able to personally directly invest in Investment Vehicles that may be held by the Funds. This creates an additional conflict of conflict of interest because a Supervised Person’s personal investment in an Investment Vehicle could take away a potential investment opportunity from a Fund. Therefore, OIM requires that all personal transactions by Supervised Persons in Investment Vehicles be precleared by the CCO or his/her designee. The CCO or his/her designee must determine prior to granting preclearance that such a transaction will not take away an opportunity from the Funds.

Family Account and Charity Trading

As noted in Item 4 above, the Family Offices provide investment advice to Family Accounts and FBE limited provides investment advice to Charities. The Family Offices' management of Family Accounts and FBE Limited's management of Charities may create potential conflicts of interest with regard to the allocation of investment opportunities between the Family Accounts and/or the Charities and the Firm's Clients. To address this potential conflict of interest, OIM has adopted the following policies and procedures:

- It is the Firm's, the Family Offices' and FBE Limited's policy that Client accounts participate ahead of Family Accounts and Charities in limited opportunity investments that are eligible for Clients, Family Accounts and/or Charities.
- Before executing any order for Family Accounts in Investment Vehicles, the applicable Family Office's investment management committee must obtain confirmation from the Investment Committee that the order will not be taking an opportunity away from the Funds. Similarly, before recommending to or executing for Charities any order in Investment Vehicles, FBE Limited must obtain confirmation from the Investment Committee that the order will not be taking an opportunity away from the Funds. The Investment Committee may grant these written confirmations if it determines that the investments either are not appropriate for the Funds or that the Funds have received enough of the opportunity given their investment objectives. On a quarterly basis, the CCO or his/her designee will be given access to Family Account trades and orders recommended or executed by FBE Limited for the Charities to review whether each trade or recommendation involving Investment Vehicles was precleared by the Investment Committee according to this procedure.
- In addition, on a quarterly basis, the CCO or his/her designee will review emails of Investment Committee members, applicable Family Office investment personnel and applicable FBE Limited investment personnel to try to determine if there are any conflicts or potential conflicts of interest between the investment activities of Family Accounts, the Charities and the Funds that have not been disclosed. For example, the CCO will look for any indication that investments made or considered for Family Accounts and/or the Charities that were deemed inappropriate for the Funds would actually have been appropriate for the Funds.

ITEM 12 – BROKERAGE PRACTICES

Item 12.A – Selection of Broker-Dealers

OIM is generally not involved in the execution of securities transactions for Client accounts through brokers. However, the External Managers generally use broker-dealers to execute securities transactions on behalf of their respective Investment Vehicles. The External Managers have an obligation to seek best execution in selecting broker-dealers for securities transactions. As part of its due diligence review and ongoing monitoring of External Managers, OIM seeks to obtain information about the External Managers' processes for selecting broker-dealers to execute securities transactions and to make assessments as to whether such processes appear appropriate and reasonable under the circumstances.

Item 12.A.1 – Research and Other Soft Dollar Benefits

OIM does not have any “soft dollar” arrangements with respect to securities transactions for the Funds.

The External Managers may enter into “soft-dollar” arrangements for their respective Investment Vehicles where permitted under applicable laws and regulations. Under such an arrangement, an External Manager may pay a broker which provides research or other products and/or services (“**Products and Services**”) to the External Manager a commission for executing a transaction for an Investment Vehicle which is more than the commission another broker would have charged for executing that transaction, provided (i) the External Manager is allowed to do so under the Investment Vehicle’s constituent documents; and (ii) the External Manager determines in good faith that the commission is reasonable in relation to the value of the Products and Services provided by the broker. This creates a potential conflict of interest between the External Managers’ duties to operate the Investment Vehicles in the best interests of investors (including the Funds) and their desire to receive these Products and Services (i.e., the “soft-dollar” benefits). The External Managers may derive substantial direct or indirect benefit from the Products and Services, particularly to the extent they use brokerage commissions to pay for research or other services which they would otherwise be required to cover themselves. These Products and Services may be used by the External Managers in servicing other accounts and may not be used at all by the External Managers in connection with the Investment Vehicles in which the Funds invest. As part of its due diligence review and ongoing monitoring of External Managers, OIM seeks to obtain information concerning the External Manager’s soft dollar practices and to make an assessment as to whether such practices appear appropriate and reasonable under the circumstances.

Item 12.A.2 – Brokerage for Client Referrals

Since OIM does not use broker-dealers to execute securities transactions for the Funds, referrals by broker-dealers of investors to the Funds does not cause OIM to have an incentive to use these broker-dealers for Fund business.

Item 12.A.3 – Directed Brokerage

OIM does not recommend, request or require that a Client direct OIM to execute transactions through a specified broker-dealer.

Item 12.B – Aggregation of Orders of Securities for Client Accounts

OIM generally aggregates orders for interests in the same Investment Vehicle being purchased and sold at the same time for Classes and or the Funds. See Item 6 above for a discussion of OIM’s allocation policies.

Trade Errors

Trade errors by External Managers are an intrinsic factor in any complex investment process and will occur notwithstanding the exercise of due care and the existence of procedures reasonably designed to prevent such errors. Except to the extent required by non-waivable provisions of federal or state securities laws, generally an Investment Vehicle (and not OIM or the External

Managers) will bear any losses resulting from portfolio management, trading or administrative errors in connection with an Investment Vehicle's investment activities in the absence of fraud, willful misconduct or gross negligence by an External Manager or its affiliates or personnel. A Class's investment in an Investment Vehicle will be adversely impacted by any losses due to trade errors incurred by the Investment Vehicle.

ITEM 13 – REVIEW OF ACCOUNTS

Item 13.A – Review of Client Accounts

The Investment Committee generally meets at least once a month to review the Funds' investment performance and to consider whether any changes should be made to the holdings of the Classes.

Item 13.B – Reports to Clients

Opus Capital distributes to each Fund investor monthly unaudited performance of the Class invested in by the investor. In addition, on an annual basis, each Fund distributes its audited financial statements to all of the Fund's investors.

ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION

Item 14.A – Economic Benefits Provided to OIM from Non-Clients

OIM does not receive any economic benefits from non-Clients for providing investment advice to its Clients.

Item 14.B – Compensation for Client Referrals

Neither OIM nor any of its Related Parties directly or indirectly compensate any person for Client referrals. However, as noted in Item 10.C above, Opus Capital is responsible for administering all of the Funds' business and affairs other than the Funds' investment activities. In that capacity Opus Capital is responsible for marketing the Funds. Opus Capital receives an ongoing management fee from the Funds for its administrative manager activities and does not receive any other fees from the Funds. Opus Capital in its discretion could allow a Fund investor to invest on preferential terms in recognition of the investor's referrals of additional investors to the Funds. See Item 4.C above for the types of preferential terms that could be granted by Opus Capital.

ITEM 15 – CUSTODY

OIM does not have physical custody of any Client assets. However, under Rule 206(4)-2 under the Advisers Act, OIM is deemed to have custody of the assets of the Funds. To comply with the requirements of Rule 206(4)-2, each Fund annually distributes to its investors the Fund's audited financial statements prepared in accordance with U.S. generally accepted accounting principles ("GAAP"), no later than 180 days after each fiscal year-end. In addition, upon the final liquidation of any Fund, OIM will obtain a final audit of the Fund's financial statements prepared in accordance with GAAP and distribute the audited financial statements to all of the Fund's investors promptly after completion of the audit.

ITEM 16 – INVESTMENT DISCRETION

OIM generally has discretionary authority to buy and sell Investment Vehicles for the Funds, including, without limitation, to determine the amount of such investments to be bought and sold, subject to restrictions that may be imposed in the applicable Offering Documents and the terms of any investment advisory agreement between OIM and the Funds. These restrictions and terms may limit OIM's advice concerning investments in certain securities or sectors, concentration limits or leverage, among other things. In addition, as noted under Item 4.C, Opus Capital from time-to time enters into agreements, or "side letters," with particular Fund investors whereby such investors invest in a Class on different terms than those applicable to other investors in the Class.

ITEM 17 – VOTING CLIENT SECURITIES

Item 17.A – Authority to Vote Client Securities

Occasionally, an Investment Vehicle will seek the proxy vote of its investors (including the Funds) regarding matters related to the operation of the Investment Vehicle. Under such circumstances, the Investment Committee will decide how to vote the Investment Vehicle proxy based on its determination of what serves the best interests of the Fund voting the proxy. Prior to voting a proxy, the Investment Committee will evaluate whether OIM has any material conflicts related to the vote. If the Investment Committee determines that a material conflict exists in voting the proxy, OIM will: (i) utilize an independent third-party to vote the proxy; (ii) ask an independent authorized representative of the Onshore Funds for the purpose of voting proxies to vote the proxy; (iii) ask the independent director of the Offshore Fund or an independent authorized representative appointed by the Offshore Fund's board of directors for purposes of voting proxies to vote the proxy; or (iv) determine another appropriate method to vote the proxy given the circumstances.

Investors in the Funds do not have the ability to direct proxy votes. Investors may obtain additional information regarding how OIM has voted Investment Vehicle proxies and may obtain a copy of OIM's proxy voting policies and procedures by contacting the Chief Compliance Officer at (212) 266-8240.

If OIM is ever asked to participate in any class action, bankruptcy or other litigation (collectively "Securities Litigation") involving securities in which investors in the Funds are invested or formerly invested, it will make a determination whether the costs of participating in such Securities Litigation outweigh the benefits of participating in such Securities Litigation. If OIM makes a determination that the benefits outweigh the costs, it will take the actions needed to participate in the Securities Litigation.

Item 17.B – Lack of Authority to Vote Fund Securities

Not applicable.

ITEM 18 – FINANCIAL INFORMATION

Item 18.A – Balance Sheet

Not applicable.

Item 18.B – Financial Conditions Likely to Impair Contractual Commitments

OIM has no financial condition that impairs its ability to meet contractual commitments to Clients.

Item 18.C – Bankruptcy Petitions

OIM has never been the subject of a bankruptcy proceeding.

ITEM 19 – REQUIREMENTS FOR STATE-REGISTERED ADVISERS

OIM is not currently registered as an investment adviser with any state securities authorities.