

**Item 1. Cover Page**

**Brochure of  
Alkeon Capital Management, LLC**

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March 27, 2024

This brochure provides information about the qualifications and business practices of Alkeon Capital Management, LLC (“Alkeon”). If you have any questions about the contents of this brochure, please contact us at 212-716-6570 or [gjakubowsky@alkeoncapital.com](mailto:gjakubowsky@alkeoncapital.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

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

Although Alkeon is a “registered investment adviser,” that registration does not imply a certain level of skill or training.

**Item 2. Material Changes**

There have been no material changes to this brochure since its last annual update on March 28, 2023.

**Item 3. Table of Contents**

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#### **Item 4. Advisory Business**

Alkeon is a Delaware limited liability company that has been in business since 2002. Alkeon's manager, controlling owner and principal portfolio manager is Panayotis "Takis" Sparaggis. As of December 31, 2023, Alkeon had total discretionary assets under management of approximately \$10.6 billion, plus uncalled capital commitments of \$1 billion. Alkeon only manages assets on a discretionary basis.

Alkeon provides portfolio management and subadvisory services to private domestic and offshore investment funds, registered investment funds and other products sponsored by:

- Alkeon;
- JTC Global AIFM Solutions S.A. ("JTC");
- Oppenheimer Asset Management Inc. ("OAM"), a subsidiary of Oppenheimer Holdings, Inc. ("OPY");
- SALI Fund Management, LLC ("SALI"); and
- Waystone Management Company (IE) Limited ("Waystone").

#### **Alkeon**

Alkeon acts as the investment manager to various private domestic and offshore investment funds as described below.

***Alkeon Growth Funds.*** Alkeon acts as investment manager to Alkeon Growth Partners, LP, Alkeon Growth Partners II, LP, Alkeon Growth PW Partners, LP and Alkeon Growth RJ Partners, LP (each, a "Growth US Feeder" and together, the "Growth US Feeders"), all Delaware limited partnerships. Alkeon also acts as investment manager to Alkeon Growth Offshore Fund, Ltd. and Alkeon Growth Offshore Fund II, Ltd. (each, a "Growth Offshore Feeder" and together the "Growth Offshore Feeders") and Alkeon Growth Master Fund, Ltd. (the "Growth Master Fund"). The Growth Master Fund and the Growth Offshore Feeders are exempted companies organized under the laws of the Cayman Islands. These funds are organized in a "master-feeder" structure, whereby the Growth US Feeders and the Growth Offshore Feeders invest substantially all of their assets in the Growth Master Fund, where all trading is executed.

***Alkeon Select Funds.*** Alkeon acts as investment manager to Alkeon Select Partners, LP (the "Select US Feeder"), a Delaware limited partnership. Alkeon also acts as investment manager to Alkeon Select Offshore Fund, Ltd. (the "Select Offshore Feeder") and Alkeon Select Series SPC Fund, Ltd. (the "Select Master Fund"). The Select Master Fund is an exempted segregated portfolio company organized under the laws of the Cayman Islands and the Select Offshore Feeder is an exempted company organized under the laws of the Cayman Islands. These funds are organized in a "master-feeder" structure, whereby the Select US Feeder and the Select Offshore Feeder both invest substantially all of their assets in the Select Master Fund, where all trading is executed.

***Alkeon Innovation Funds.*** Alkeon acts as investment manager to Alkeon Innovation Fund, LP (the "Innovation US Feeder"), a Delaware limited partnership. Alkeon also acts as investment manager to Alkeon Innovation Offshore Fund, Ltd. (the "Innovation Offshore Feeder"), an exempted company organized under the laws of the Cayman Islands, and Alkeon Innovation

Master Fund, LP (the “Innovation Master Fund”), a Cayman Islands exempted limited partnership. These funds are organized in a “master-feeder” structure, whereby the Innovation US Feeder and the Innovation Offshore Feeder both invest substantially all of their assets in the Innovation Master Fund, where all portfolio investments are made.

***Alkeon Innovation Opportunity Funds.*** Alkeon acts as investment manager to Alkeon Innovation Opportunity Fund, LP (the “Innovation Opportunity US Feeder”), a Delaware limited partnership. Alkeon also acts as investment manager to Alkeon Innovation Opportunity Offshore Fund, LP (the “Innovation Opportunity Offshore Feeder”), a Cayman Islands exempted limited partnership, and Alkeon Innovation Opportunity Master Fund, LP (the “Innovation Opportunity Master Fund”), a Cayman Islands exempted limited partnership. These funds are organized in a “master-feeder” structure, whereby the Innovation Opportunity US Feeder and the Innovation Opportunity Offshore Feeder both invest substantially all of their assets in the Innovation Opportunity Master Fund, where all portfolio investments are made.

***Alkeon Innovation II Funds.*** Alkeon acts as investment manager to Alkeon Innovation Fund II, LP (the “Innovation II US Feeder”), a Delaware limited partnership, Alkeon Innovation II Private Client Fund, LP (“Innovation II Private Client US Feeder”), a Delaware limited partnership, Alkeon Innovation Offshore Fund II, LP (the “Innovation II Offshore Feeder”), a Cayman Islands exempted limited partnership, Alkeon Innovation II Private Client Offshore Fund, LP (“Innovation II Private Client Offshore Feeder”), a Cayman Islands exempted limited partnership, and Alkeon Innovation Master Fund II, LP (the “Innovation II Master Fund”), a Cayman Islands exempted limited partnership. These funds are organized in a “master-feeder” structure, whereby the Innovation II US Feeder, the Innovation II Offshore Feeder, the Innovation II Private Client US Feeder and the Innovation II Private Client Offshore Feeder each invest substantially all of their assets in the Innovation II Master Fund, where all portfolio investments are made.

***Alkeon Innovation II Funds, Private Series.*** Alkeon acts as investment manager to Alkeon Innovation Fund II, Private Series, LP (the “Innovation II, Private Series US Feeder”), a Delaware limited partnership. Alkeon also acts as investment manager to Alkeon Innovation Offshore Fund II Private Series, LP (the “Innovation II, Private Series Offshore Feeder”), a Cayman Islands exempted limited partnership, and Alkeon Innovation Master Fund II, Private Series, LP (the “Innovation II, Private Series Master Fund”), a Cayman Islands exempted limited partnership. These funds are organized in a “master-feeder” structure, whereby the Innovation II, Private Series US Feeder and the Innovation II, Private Series Offshore Feeder both invest substantially all of their assets in the Innovation II, Private Series Master Fund, where all portfolio investments are made.

***Alkeon Principals, LLC.*** Alkeon acts as investment manager to Alkeon Principals, LLC, a Delaware limited liability company, that is wholly-owned by Alkeon personnel and invests in other Alkeon-managed funds or cash and cash equivalents.

## **OAM**

Alkeon acts as sub-adviser to Advantage Advisers Global Growth, L.L.C. (the “Global Growth Fund”), a Delaware limited liability company. Alkeon also serves as sub-adviser to Advantage Advisers Xanthus Fund, LLC, a Delaware limited liability company (“Xanthus Fund”) which is registered under the Investment Company Act of 1940 Act (the “1940 Act”) as a closed-end, diversified management investment company. In addition, Alkeon acts as sub-adviser to an

offshore fund, Advantage Advisers Global Growth Ltd., a Cayman Islands exempted company (the “Global Growth Offshore Fund” and with the Global Growth Fund and Xanthus Fund the “OAM Funds”).

Advantage Advisers Multi-Manager, LLC (“AAMM”) is the investment manager of the Global Growth Offshore Fund and Xanthus Fund. Advantage Advisers Management, LLC (“AAM”) is the investment manager of the Global Growth Fund. AAM is also a special advisory member of Xanthus Fund and the Global Growth Fund. OAM is the managing member and Alkeon is a non-managing member of AAMM and AAM.

### **Alkeon UCITs**

Alkeon acts as investment manager for Alkeon UCITs Fund (“Alkeon UCITs”), a sub-fund of MontLake Oriel UCITS Platform ICAV, an Irish collective asset-management vehicle constituted as an umbrella fund with segregated liability between sub-funds and authorized by the Central Bank of Ireland pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended)). Waystone serves as the manager of MontLake Oriel UCITS Platform ICAV.

### **Alkeon Lux**

Alkeon acts as portfolio manager for Alkeon Innovation Lux, SCSp SICAV-RAIF (“Alkeon Lux”), a reserved alternative investment fund formed as a special limited partnership and set up as an investment company with variable capital under the Luxembourg law of 23 July 2016 relating to reserved alternative investment funds (RAIF Law), which is an alternative investment fund (AIF) for purposes of the Alternative Investment Fund Managers Directive (AIFMD). JTC acts as the alternative investment fund manager (AIFM) of Alkeon Lux.

### **Insurance Series**

Alkeon acts as sub-adviser to Alkeon Insurance Growth Fund Series Interests of the SALI Multi-Series Fund, L.P., a Delaware series limited partnership (the “Insurance Series”). SALI and SALI Fund Partners, LLC are the investment manager and general partner, respectively, of the SALI Multi-Series Fund, L.P.

### **General Information about Alkeon’s Advisory Business**

Alkeon invests principally, but not solely, in long or short positions of publicly-traded and private companies in global markets on behalf of the funds it manages, but has broad discretion to enter into investment transactions that it deems appropriate under the terms of the offering documents for those funds. The investors in the funds that Alkeon manages have no opportunity to select or evaluate any fund investments or strategies. Alkeon selects all fund investments and strategies. Alkeon’s discretionary authority is limited, however, as described in Item 16.

## **Item 5. Fees and Compensation**

Alkeon’s compensation is negotiable and varies, but typically, it receives an asset-based fee from each fund based on a percentage of that fund’s assets under management or a percentage of each investor’s capital account balance or “unreturned capital.” In addition, Alkeon, or an affiliate of Alkeon, also typically receives either (i) an annual, semi-annual or quarterly incentive

fee/allocation based on the amount of the net realized and unrealized profits attributable to an investor for that period, adjusted for net losses incurred by such investor in prior periods or (ii) a carried interest distribution based on distributions to investors, in each case, which may be subject to investor high watermarks, the performance of a benchmark index, return of investor capital contributions or investor clawback rights. The asset-based fee and incentive fee/allocation and carried interest distributions are charged to client accounts and investors in the manners summarized below and further detailed in the applicable fund's offering materials. Alkeon complies with Rule 205-3 under the Investment Advisers Act of 1940, to the extent required by applicable law. Incentive fees/allocations may create an incentive for Alkeon to make more risky and speculative investments than it would otherwise make.

## **Alkeon**

### ***Alkeon Growth Funds***

Alkeon Growth Partners, LP is divided into multiple series of interests distinguished by the following different management fees and liquidity rights: (i) investors in Series One, which was sold prior to April 1, 2007, and is no longer being offered, pay a monthly fee of 0.125% (1.5% per annum) of their capital account balance and generally may withdraw their investment on the last day of any calendar quarter; (ii) investors in Series Two pay a monthly fee of 0.1667% (2% per annum) of their capital account balance and generally may withdraw their investment on the last day of any calendar quarter; (iii) investors in Series Three, which is generally only available for additional subscriptions from existing holders, pay a monthly fee of 0.125% (1.5% per annum) of their capital account balance and generally may withdraw their investment as of the last day of the calendar quarter occurring on or after the 12-month anniversary of the date of their initial investment and as of the last business day of each calendar quarter thereafter; (iv) investors in Series Four, which is only offered to investors whose investment in the fund is made through a fee-based advisory program sponsored by a registered broker-dealer or registered investment adviser who recommends their investment in the fund, pay a monthly fee of 0.104% (1.25% per annum) of their capital account balance, in addition to the fee charged by the fee-based advisory program, and generally may withdraw their investment on the last business day of any calendar quarter; and (v) investors in Series Five pay a monthly fee of 0.125% (1.5% per annum) of their capital account balance and generally may withdraw their investment as of the last day of each calendar year.

Alkeon Growth Partners II, LP is divided into multiple series of interests distinguished by the following different management fees and liquidity rights: (i) investors in Series One pay a monthly fee of 0.1667% (2% per annum) of their capital account balance, and generally may withdraw their investment on the last day of any calendar quarter; (ii) investors in Series Two, which is generally only available for additional subscriptions from existing holders, pay a monthly fee of 0.0833% (1% per annum) of their capital account balance, in addition to a minimum 0.50% per annum fee charged by their financial institution on the account which holds their investment, and generally may withdraw their investment on the last day of any calendar quarter occurring on or after the 12-month anniversary of the investor's initial investment and as of the last day of any calendar quarter thereafter; (iii) investors in Series Three, which is generally only available for additional subscriptions from existing holders, pay a monthly fee of 0.125% (1.5% per annum) of their capital account balance and generally may withdraw their investment as of the last day of any calendar quarter occurring on or after the 12-month anniversary of the investor's initial investment and the last day of each calendar quarter thereafter; (iv) investors in Series Four, which is only offered to

investors whose investment in the fund is made through a fee-based advisory program sponsored by a registered broker-dealer or registered investment adviser who recommends their investment in the fund, pay a monthly fee of 0.104% (1.25% per annum) of their capital account balance, in addition to the fee charged by the fee-based advisory program, and generally may withdraw their investment on the last day of any calendar quarter; and (v) investors in Series Five pay a monthly fee of 0.125% (1.5% per annum) of their capital account balance and generally may withdraw their investment as of the last day of each calendar year.

Alkeon Growth PW Partners, LP is divided into multiple series of interests distinguished by the following different management fees and liquidity rights: (i) investors in Series One pay a monthly fee of 0.1667% (2% per annum) of their capital account balance and generally may withdraw their investment on the last day of any calendar quarter; (ii) investors in Series Two, which is generally only available for additional subscriptions from existing holders, pay a monthly fee of 0.125% (1.5% per annum) of their capital account balance and generally may withdraw their investment as of the last day of the calendar quarter occurring on or after the 12-month anniversary of the investor's initial investment and the last day of each calendar quarter thereafter; (iii) investors in Series Three, which is no longer being offered to new investors, pay a monthly fee of 0.104% (1.25% per annum) of their capital account balance, in addition to a minimum 0.75% per annum fee by their financial institution on the account which holds their investment, and generally may withdraw their investment on the last day of any calendar quarter; (iv) investors in Series Four, which is only offered to investors whose investment in the fund is made through a fee-based advisory program sponsored by a registered broker-dealer or registered investment adviser who recommends their investment in the fund, pay a monthly fee of 0.104% (1.25% per annum) of their capital account balance, in addition to the fee charged by the fee-based advisory program, and are generally permitted to make withdrawals as of the last day of any calendar quarter; and (v) investors in Series Five pay a monthly fee of 0.125% (1.5% per annum) of their capital account balance and generally may withdraw their investment as of the last day of each calendar year.

Alkeon Growth RJ Partners, LP is divided into multiple series of interests distinguished by the following different management fees and liquidity rights: (i) investors in Series One, which is generally only available for additional subscriptions from existing holders, pay a monthly fee of 0.125% (1.5% per annum) of their capital account balance and generally may withdraw their investment as of the last business day of the calendar quarter occurring on or after the 12-month anniversary of their initial investment and as of the last day of each calendar quarter thereafter; (ii) investors in Series Two pay a monthly fee of 0.125% (1.5% per annum) of their capital account balance and generally may withdraw their investment as of the last day of each calendar year; and (iii) investors in Series Three pay a monthly fee of 0.1667% (2% per annum) of their capital account balance and generally may withdraw their investment on the last day of any calendar quarter.

Alkeon Growth Offshore Fund, Ltd. is divided into multiple classes and sub-classes of shares distinguished by the following different management fees and liquidity rights. Sub-Class One Shares are charged a monthly fee of 0.125% (1.5% per annum) of their net asset value for investors investing prior to April 1, 2006. Sub-Class Two Shares are charged a monthly fee of 0.1667% (2% per annum) of their net asset value for investors investing after April 1, 2006, but before December 1, 2007. For those investing on or after December 1, 2007, Alkeon Growth Offshore Fund, Ltd. generally offers three separate sub-classes of shares distinguished by different management fees and liquidity rights. Sub-Class Three Shares are charged a monthly fee of 0.1667% (2% per annum) of their net asset value and generally may be redeemed monthly, subject to a 5%

redemption fee payable to the Growth Master Fund for redemptions within the first year of the investor's initial investment. Sub-Class Four Shares are charged a monthly fee of 0.125% (1.5% per annum) of their net asset value and generally may be redeemed monthly after a two year lock up. Sub-Class Five Shares, which are only offered to investors whose investment in the fund is made through a fee-based advisory program, are charged a monthly fee of 0.104% (1.25% per annum) of their net asset value, in addition to the fee charged by the fee-based advisory program, and generally may be redeemed monthly, subject to a 5% redemption fee payable to the Growth Master Fund for redemption within the first year of the investor's initial investment. Sub-Class Five Shares were only being offered to investors who invest in the Fund through a wrap fee program or platform. These five Sub-Classes are no longer being offered. For those investing on or after September 1, 2020, Alkeon Growth Offshore Fund, Ltd. generally offers four separate sub-classes of shares distinguished by different management fees and liquidity rights. Sub-Class Six Shares are charged a monthly fee of 0.1667% (2% per annum) of their net asset value and generally may be redeemed on the last day of any calendar quarter. Sub-Class Seven Shares, which are generally only available for additional subscriptions from existing holders or holders of the Sub-Class Four Shares, are charged a monthly fee of 0.125% (1.5% per annum) of their net asset value and generally may be redeemed as of the last day of the calendar quarter occurring on or after the 12-month anniversary of the investor's initial investment and the last day of each calendar quarter thereafter. Sub-Class Eight Shares, which are only offered to investors whose investment in the fund is made through a fee-based advisory program, are charged a monthly fee of 0.104% (1.25% per annum) of their net asset value, in addition to the fee charged by the fee-based advisory program, and generally may be redeemed as of the last day of any calendar quarter. Sub-Class Nine Shares are charged a monthly fee of 0.125% (1.5% per annum) of their net asset value and generally may be redeemed on the last day of any calendar year.

Alkeon Growth Offshore Fund, Ltd. also has two classes of "advisory" shares. Class IA Shares were offered to certain high net worth and institutional investors investing through a fee-based advisory program or platform. Any holder of Class IA Shares may redeem all or a portion of such Class IA Shares monthly, subject to a 5% redemption fee payable to the Growth Master Fund with respect to redemptions prior to the first anniversary of the date such Class IA Shares were issued. Class IA Shares are no longer being offered. Class I Shares are not currently offered but may be offered in the future to institutional investors who make a certain minimum investment in the fund, and the shares may have different fee and liquidity terms than the fund's other shares.

Alkeon Growth Offshore Fund II, Ltd. is divided into multiple sub-classes of shares distinguished by different management fees and liquidity rights. Sub-Class One Shares are charged a monthly fee of 0.1667% (2% per annum) of their net asset value and generally may be redeemed monthly, subject to a 5% redemption fee payable to the Growth Master Fund for redemptions within the first year of the investor's initial investment. Sub-Class Two Shares are charged a monthly fee of 0.0833% (1% per annum) of their net asset value, in addition to a minimum 0.50% per annum fee charged by their financial institution on the account which holds the investment, and generally may be redeemed monthly after a two year lock up. Sub-Class Three Shares are charged a monthly fee of 0.125% (1.5% per annum) of their net asset value and generally may be redeemed monthly after a two year lock up. These three Sub-Classes are no longer being offered. For those investing on or after September 1, 2020, Alkeon Growth Offshore Fund II, Ltd. generally offers four separate sub-classes of shares distinguished by different management fees and liquidity rights. Sub-Class Four Shares are charged a monthly fee of 0.1667% (2% per annum) of their net asset value and generally may be redeemed on the last day of any calendar quarter. Sub-Class Five Shares, which are generally only available for additional subscriptions from existing holders, are charged a



monthly fee of 0.125% (1.5% per annum) of their net asset value and generally may be redeemed as of the last day of the calendar quarter occurring on or after the 12-month anniversary of the investor's initial investment and the last day of each calendar quarter thereafter. Sub- Class Six Shares, which are only offered to investors whose investment in the fund is made through a fee-based advisory program, are charged a monthly fee of 0.104% (1.25% per annum) of their net asset value, in addition to the fee charged by the fee-based advisory program, and generally may be redeemed as of the last day of any calendar quarter. Sub-Class Seven Shares are charged a monthly fee of 0.125% (1.5% per annum) of their net asset value and generally may be redeemed on the last day of any calendar year.

Alkeon, or an affiliate of Alkeon, also receives an annual incentive allocation with respect to each investor in each Growth US Feeder and Growth Offshore Feeder equal to 20% of the net realized and unrealized profits attributable to each investor for the year, adjusted for net losses incurred by such investor in prior years.

***Alkeon Select Funds.*** The Select US Feeder is divided into multiple series distinguished by the following different management fees, incentive allocations and liquidity rights: (i) investors in Series One pay a monthly management fee of approximately 0.146% (1.75% per annum) and a 10% annual incentive allocation (based on the Positive Relative Return, as described below) of their capital account balance and generally may withdraw their investment on the last day of any calendar quarter; (ii) investors in Series Two pay a monthly management fee of 0.125% (1.50% per annum) and a 10% annual incentive allocation (based on the Positive Relative Return) of their capital account balance and generally may withdraw their investment as of the last day of the first calendar quarter occurring after a three-year lock-up period, which automatically rolls into another three-year lock-up period with respect to any unwithdrawn investment (i.e., a “rolling” lock-up period); (iii) investors in Series Three pay a monthly management fee of approximately 0.104% (1.25% per annum) and a 10% annual incentive allocation (based on the Positive Relative Return) of their capital account balance and generally may withdraw their investment as of the last day of the first calendar quarter occurring after a rolling five-year lock-up period; (iv) investors in Series Four pay a monthly management fee of approximately 0.104% (1.25% per annum) and a 15% annual incentive allocation (based on the Positive Relative Return) of their capital account balance and generally may withdraw their investment on the last day of any calendar quarter; (v) investors in Series Five pay a monthly management fee of approximately 0.083% (1.00% per annum) and a 15% annual incentive allocation (based on the Positive Relative Return) of their capital account balance and generally may withdraw their investment as of the last day of the first calendar quarter occurring after a rolling three-year lock-up period; (vi) investors in Series Six pay a monthly management fee of approximately 0.063% (0.75% per annum) and a 15% annual incentive allocation (based on the Positive Relative Return) of their capital account balance and generally may withdraw their investment as of the last day of the first calendar quarter occurring after a rolling five-year lock-up period; (vii) investors in Series Seven pay no monthly management fee and a 27.5% annual incentive allocation (based on the Positive Relative Return,) of their capital account balance and generally may withdraw their investment on the last day of any calendar quarter; (viii) investors in Series Eight pay no monthly management fee and a 25% annual incentive allocation (based on the Positive Relative Return) of their capital account balance and generally may withdraw their investment as of the last day of the first calendar quarter occurring after a rolling three-year lock-up period; and (ix) investors in Series Nine pay no monthly management fee and a 22.5% annual incentive allocation (based on the Positive Relative Return) of their capital account balance and generally may withdraw their investment as of the last day of the first calendar quarter occurring after a rolling five- year lock-up period.

The Select Offshore Feeder is divided into multiple classes and sub-classes of shares distinguished by the following different management fees, incentive allocations and liquidity rights: (i) Sub-Class One Shares are charged a monthly management fee of approximately 0.146% (1.75% per annum) and a 10% annual incentive allocation (based on the Positive Relative Return, as described below) of their net asset value and generally may be redeemed on the last day of any calendar quarter; (ii) Sub-Class Two Shares are charged a monthly management fee of 0.125% (1.50% per annum) and a 10% annual incentive allocation (based on the Positive Relative Return) of their net asset value and generally may be redeemed as of the last day of the first calendar quarter occurring after a rolling three-year lock-up period; (iii) Sub-Class Three Shares are charged a monthly management fee of approximately 0.104% (1.25% per annum) and a 10% annual incentive allocation (based on the Positive Relative Return) of their net value and generally may be redeemed as of the last day of the first calendar quarter occurring after a rolling five-year lock-up period; (iv) Sub-Class Four Shares are charged a monthly management fee of approximately 0.104% (1.25% per annum) and a 15% annual incentive allocation (based on the Positive Relative Return) of their net asset value and generally may be redeemed on the last day of any calendar quarter; (v) Sub-Class Five Shares are charged a monthly management fee of approximately 0.083% (1.00% per annum) and a 15% annual incentive allocation (based on the Positive Relative Return) of their net asset value and generally may be redeemed as of the last day of the first calendar quarter occurring after a rolling three-year lock-up period; (vi) Sub-Class Six Shares are charged a monthly management fee of approximately 0.063% (0.75% per annum) and a 15% annual incentive allocation (based on the Positive Relative Return) of their net asset value and generally may withdraw their investment as of the last day of the first calendar quarter occurring after a rolling five-year lock-up period; (vii) Sub-Class Seven Shares are charged no monthly management fee and a 27.5% annual incentive allocation (based on the Positive Relative Return) of their net asset value and generally may be redeemed on the last day of any calendar quarter; (viii) Sub-Class Eight Shares are charged no monthly management fee and a 25% annual incentive allocation (based on the Positive Relative Return) of their net asset value and generally may be redeemed as of the last day of the first calendar quarter occurring after a rolling three-year lock-up period; and (ix) Sub-Class Nine Shares are charged no monthly management fee and a 22.5% annual incentive allocation (based on the Positive Relative Return) of their net asset value and generally may be redeemed as of the last day of the first calendar quarter occurring after a rolling five-year lock-up period.

An investor may withdraw/redeem its investment in Series Two/Sub-Class Two, Series Five/Sub-Class Five or Series Eight/Sub-Class Eight prior to the expiration of a three-year lock-up period as of the last day of any calendar quarter, subject to a withdrawal/redemption fee payable to the Select Master Fund. A withdrawal/redemption that occurs prior to the expiration of the first year of a three-year lock-up period will be subject to a withdrawal/redemption fee of 4% of the amount to be withdrawn/redeemed. A withdrawal/redemption that occurs after the expiration of the first year, but prior to the expiration of the second year, of the lock-up period will be subject to a withdrawal/redemption fee of 3% of the amount to be withdrawn/redeemed. A withdrawal/redemption that occurs after the expiration of the second year, but prior to the expiration of the third year, of the lock-up period will be subject to a withdrawal/redemption fee of 2% of the amount to be withdrawn/redeemed.

An investor may withdraw/redeem its investment in Series Three/Sub-Class Three, Series Six/Sub-Class Six or Series Nine/Sub-Class Nine prior to the expiration of a five-year lock-up period as of the last day of any calendar quarter, subject to a withdrawal/redemption fee payable to the Select Master Fund. A withdrawal/redemption that occurs prior to the expiration of the first year of a

five-year lock-up period will be subject to a withdrawal/redemption fee of 5% of the amount to be withdrawn/redeemed. A withdrawal/redemption that occurs after the expiration of the first year, but prior to the expiration of the second year, of the lock-up period will be subject to a withdrawal/redemption fee of 4% of the amount to be withdrawn/redeemed. A withdrawal/redemption that occurs after the expiration of the second year, but prior to the expiration of the third year, of the lock-up period will be subject to a withdrawal/redemption fee of 3% of the amount to be withdrawn/redeemed. A withdrawal/redemption that occurs after the expiration of the third year, but prior to the expiration of the fourth year, of the lock-up period will be subject to a withdrawal/redemption fee of 2% of the amount to be withdrawn/redeemed. A withdrawal/redemption that occurs after the expiration of the fourth year, but prior to the expiration of the fifth year, of the lock-up period will be subject to a withdrawal/redemption fee of 1% of the amount to be withdrawn/redeemed.

Alkeon, or an affiliate of Alkeon, receives the incentive allocation for the Select US Feeder, the Select Offshore Feeder, which is calculated based on each Fund's outperformance of the MSCI World Index (the "Positive Relative Return").

Certain investors in the Select Offshore Feeder may be subject to a predecessor fund's previous fee and liquidity terms. Under that structure, Alkeon charged the fund a monthly management fee of 0.1667% (2.0% per annum) of the net asset value of the fund, and investors could generally redeem their shares on the last day of any calendar quarter occurring at least 24 months after those shares were issued; provided that redemptions also were permitted on the last day of any calendar quarter occurring less than 24 months after the date those shares were issued subject to a 4% redemption fee payable to the Select Master Fund. Alkeon also received an annual incentive fee equal to 20% of the net realized and unrealized profits attributable to each investor for the year, adjusted for net losses incurred by such investor in prior years.

***Alkeon Innovation Funds.*** The Innovation US Feeder is divided into two series of interests distinguished by the following different management fees: (i) investors in Series One pay a quarterly fee of up to 0.375% (1.5% per annum) of their capital account balance (calculated using the lower of cost or fair market value with respect to private securities); and (ii) investors in Series Two, which is only offered to investors whose investment in the fund is made through a fee-based advisory program sponsored by a registered broker-dealer or registered investment adviser who recommends their investment in the fund, pay a quarterly fee of 0.25% (1.0% per annum) of their capital account balance (calculated using the lower of cost or fair market value with respect to private securities), in addition to the fee charged by the fee-based advisory program. Alkeon, or an affiliate of Alkeon, also receives a quarterly incentive allocation of up to 20% of the fund's profits in excess of net losses from prior periods, subject to incentive allocation reversals due to subsequent losses. For purposes of determining profits and losses used in calculating the incentive allocation, private securities are valued using the lower of cost or fair market value.

The Innovation Offshore Feeder is divided into two classes and sub-classes of shares distinguished by the following different management fees: (i) Sub-Class One Shares are charged a quarterly management fee of up to 0.375% (1.5% per annum) of their net asset value (calculated using the lower of cost or fair market value with respect to private securities); and (ii) Sub-Class Two Shares are charged a quarterly management fee of 0.25% (1.0% per annum) of their net asset value (calculated using the lower of cost or fair market value with respect to private securities), in addition to the fee charged by the fee-based advisory program. Alkeon, or an affiliate of Alkeon, also receives a quarterly incentive allocation of up to 20% of the fund's profits in excess of net

losses from prior periods, subject to incentive allocation reversals due to subsequent losses. For purposes of determining profits and losses used in calculating the incentive allocation, private securities are valued using the lower of cost or fair market value.

***Alkeon Innovation Opportunity Funds.*** The Innovation Opportunity US Feeder is divided into two series of interests distinguished by the following different management fees: (i) investors in Series One pay a quarterly fee of up to 0.375% (1.5% per annum) of their unreturned capital or, after the fund's investment period, remaining capital (calculated using the lower of cost or fair market value with respect to private securities); and (ii) investors in Series Two, which is only offered to investors whose investment in the fund is made through a fee-based advisory program sponsored by a registered broker-dealer or registered investment adviser who recommends their investment in the fund, pay a quarterly fee of 0.25% (1.0% per annum) of their unreturned capital or, after the fund's investment period, remaining capital (calculated using the lower of cost or fair market value with respect to private securities), in addition to the fee charged by the fee-based advisory program. Alkeon, or an affiliate of Alkeon, also receives a carried interest distribution equal to up to 20% of distributions that exceed investors' unreturned capital.

The Innovation Opportunity Offshore Feeder is divided into two series of interests distinguished by the following different management fees: (i) investors in Series One pay a quarterly fee of up to 0.375% (1.5% per annum) of their unreturned capital or, after the fund's investment period, remaining capital (calculated using the lower of cost or fair market value with respect to private securities); and (ii) investors in Series Two, which is only offered to investors whose investment in the fund is made through a fee-based advisory program sponsored by a registered broker-dealer or registered investment adviser who recommends their investment in the fund, pay a quarterly fee of 0.25% (1.0% per annum) of their unreturned capital or, after the fund's investment period, remaining capital (calculated using the lower of cost or fair market value with respect to private securities), in addition to the fee charged by the fee-based advisory program. Alkeon, or an affiliate of Alkeon, also receives a carried interest distribution equal to up to 20% of distributions that exceed investors' unreturned capital.

***Alkeon Innovation II Funds.*** The Innovation II US Feeder and Innovation II Private Client US Feeder are each divided into two series of interests distinguished by the following different management fees: (i) investors in Series One pay a quarterly fee of up to 0.375% (1.5% per annum) of their capital account balance (calculated using the lower of cost or fair market value with respect to private securities); and (ii) investors in Series Two, which is only offered to investors whose investment in the fund is made through a fee-based advisory program sponsored by a registered broker-dealer or registered investment adviser who recommends their investment in the fund, pay a quarterly fee of 0.25% (1.0% per annum) of their capital account balance (calculated using the lower of cost or fair market value with respect to private securities), in addition to the fee charged by the fee-based advisory program. Alkeon, or an affiliate of Alkeon, also receives an annual incentive allocation of up to 20% of the fund's profits in excess of net losses from prior periods, subject to incentive allocation reversals due to subsequent losses. For purposes of determining profits and losses used in calculating the incentive allocation, private securities are valued using the lower of cost or fair market value. Distribution of the incentive allocation to Alkeon or its affiliates is subject to (i) an investor's return of capital and (ii) clawback, to the extent such incentive allocation distributions exceed 20% of the fund's profits in excess of net losses at the end of the life of the fund.

The Innovation II Offshore Feeder and Innovation II Private Client Offshore Feeder are each divided into two classes and sub-classes of shares distinguished by the following different management fees: (i) Sub-Class One Shares are charged a quarterly management fee of up to 0.375% (1.5% per annum) of their net asset value (calculated using the lower of cost or fair market value with respect to private securities); and (ii) Sub-Class Two Shares are charged a quarterly management fee of 0.25% (1.0% per annum) of their net asset value (calculated using the lower of cost or fair market value with respect to private securities), in addition to the fee charged by the fee-based advisory program. Alkeon, or an affiliate of Alkeon, also receives an annual incentive allocation of up to 20% of the fund's profits in excess of net losses from prior periods, subject to incentive allocation reversals due to subsequent losses. For purposes of determining profits and losses used in calculating the incentive allocation, private securities are valued using the lower of cost or fair market value. Distribution of the incentive allocation to Alkeon or its affiliates is subject to (i) an investor's return of capital and (ii) clawback to the extent such incentive allocation distributions exceed 20% of the fund's profits in excess of net losses at the end of the life of the fund.

***Alkeon Innovation II Funds, Private Series.*** The Innovation II, Private Series US Feeder is divided into two series of interests distinguished by the following different management fees: (i) investors in Series One pay a quarterly fee of up to 0.375% (1.5% per annum) of their unreturned capital or, after the fund's investment period, remaining capital (calculated using the lower of cost or fair market value with respect to private securities); and (ii) investors in Series Two, which is only offered to investors whose investment in the fund is made through a fee-based advisory program sponsored by a registered broker-dealer or registered investment adviser who recommends their investment in the fund, pay a quarterly fee of 0.25% (1.0% per annum) of their unreturned capital or, after the fund's investment period, remaining capital (calculated using the lower of cost or fair market value with respect to private securities), in addition to the fee charged by the fee-based advisory program. Alkeon, or an affiliate of Alkeon, also receives a carried interest distribution equal to up to 20% of distributions that exceed investors' unreturned capital. Carried interest distributions are subject to clawback to the extent such distributions exceed 20% of the fund's profits in excess of net losses at the end of the life of the fund.

The Innovation II, Private Series Offshore Feeder is divided into two series of interests distinguished by the following different management fees: (i) investors in Series One pay a quarterly fee of up to 0.375% (1.5% per annum) of their unreturned capital or, after the fund's investment period, remaining capital (calculated using the lower of cost or fair market value with respect to private securities); and (ii) investors in Series Two, which is only offered to investors whose investment in the fund is made through a fee-based advisory program sponsored by a registered broker-dealer or registered investment adviser who recommends their investment in the fund, pay a quarterly fee of 0.25% (1.0% per annum) of their unreturned capital or, after the fund's investment period, remaining capital (calculated using the lower of cost or fair market value with respect to private securities), in addition to the fee charged by the fee-based advisory program. Alkeon, or an affiliate of Alkeon, also receives a carried interest distribution equal to up to 20% of distributions that exceed investors' unreturned capital. Carried interest distributions are subject to clawback to the extent such distributions exceed 20% of the fund's profits in excess of net losses at the end of the life of the fund.

## **OAM**

Alkeon receives fees for the advisory and/or administration services it provides with respect to the Xanthus Fund, Global Growth Fund and Global Growth Offshore Fund, equal to a portion of each fund's monthly fee of 0.1445833% (1.75% per annum) of the net asset value of the fund.

Through its non-managing member interest in AAM, Alkeon is allocated a portion of the annual performance-based compensation allocated to AAM from the Global Growth Fund and Xanthus Fund. Alkeon also receives a portion of the performance-based fee paid by the Global Growth Offshore Fund to AAMM. This performance-based compensation (of which Alkeon receives a portion) across all funds equals, for each fund, 20% of the net realized and unrealized profits attributable to each investor for each year, adjusted for net losses incurred by such investor in prior years.

## **Alkeon UCITs**

Alkeon UCITs has different classes of shares distinguished by different management fees and liquidity rights. The fund's sponsor receives a monthly management fee of between 1% and 2.5% of the net asset value of the applicable class of shares and an annual performance fee of 20% of the net realized and unrealized profits attributable to each class, adjusted for net losses incurred in prior periods. Alkeon is paid a portion of the management fee and the performance fee.

## **Alkeon Lux**

Alkeon receives quarterly fees for the portfolio management services it provides to Alkeon Lux equal to 0.375% (1.5% per annum) of the limited partners' unreturned capital or, after the fund's investment period, remaining capital (calculated using the lower of cost or fair market value with respect to private securities). An affiliate of Alkeon also receives a carried interest distribution equal to up to 20% of distributions that exceed investors' unreturned capital. Carried interest distributions are subject to clawback to the extent such distributions exceed 20% of the fund's profits in excess of net losses at the end of the life of the fund.

## **Insurance Series**

The Insurance Series has different classes of partnership interests distinguished by different management fees and liquidity rights. SALI receives a management fee, payable monthly, of up to 2% per annum of the net asset value of the applicable class of partnership interests and an annual performance fee of 20% of the net realized and unrealized profits attributable to each class, adjusted for net losses incurred in prior periods. Alkeon is paid a portion of the management fee and the performance fee.

## **General Information about Alkeon's Fees and Compensation**

Alkeon's fees are accrued by each fund and calculated by that fund's third party administrator. Alkeon invoices each fund for its fees based on such calculation. Alkeon believes that its fees are competitive with fees charged by other investment advisers for comparable services. Comparable services may be available, however, from other sources for lower fees.

The disclosure in this Item 5, together with the disclosure in Item 12, allow a plan that is subject to the Employee Retirement Income Security Act of 1974 and that invests in an investment limited

partnership of which Alkeon is general partner, to use the “alternative reporting option” to report Alkeon’s compensation as “eligible indirect compensation” on the Schedule C of the plan’s Form 5500 Annual Return/Report of Employee Benefit Plan.

In all cases, expenses, the pro rata portion of the asset-based fee and the incentive amount through the date of termination are charged to the account. An investor who withdraws from a fund on a date other than an Alkeon-permitted withdrawal date, however, may not receive a refund of the asset-based fee previously charged with respect to the investor’s capital account.

Each fund, as more fully disclosed in its offering materials, is responsible for its own costs and expenses, including, among other items, research and investment costs and expenses (such as commissions, interest on margin accounts and other indebtedness, expenses related to short sales, and custody, clearing and settlement charges), fees and expenses of offering and selling interests/shares, various professional expenses and certain allocable insurance fees and expenses. In addition, some of Alkeon’s research and brokerage costs and expenses may be paid, however, by securities brokerage firms that execute clients’ securities trades, as discussed in Item 12 below.

#### **Item 6. Performance-Based Fees and Side-By-Side Management**

All of the funds that Alkeon manages charge performance-based compensation as described in Item 5. However, the timing and calculation for performance-based compensation varies among the funds and creates a conflict of interest because Alkeon has an incentive to allocate investment opportunities to particular funds if it would lead to higher or more quickly realized performance-based compensation than if the same investments were allocated to other funds Alkeon manages. For example, certain funds hold illiquid investments for which Alkeon receives performance-based compensation only upon their sale or deemed realization, while other funds may hold illiquid investments for which Alkeon receives performance and asset-based compensation based upon the fair value of such investments. To the extent Alkeon is entitled to performance-based compensation from its clients upon the sale or deemed realization of illiquid investments, it may have an incentive to delay or accelerate the realization of an illiquid investment. To the extent Alkeon is entitled to performance and asset-based compensation based upon the fair value of such investments, it may have an incentive to calculate the fair market value of such investments higher depending on the valuation process for such investments. Alkeon reviews its investment allocations among the funds on a regular basis to address this conflict.

#### **Item 7. Types of Clients**

The Alkeon funds’ minimum initial investment varies from fund to fund, but generally is between \$500,000 and \$1,500,000. These minimums are generally subject to reduction or waiver at the discretion of Alkeon.

#### **Item 8. Methods of Analysis, Investment Strategies and Risk of Loss**

##### **Investment Strategy**

Alkeon provides advisory or sub-advisory services to its clients using different investment strategies with a common investment objective of capital appreciation. While Alkeon’s investment strategies have a common investment objective and may have overlapping positions, they are intended to offer investors different portfolio risk and return characteristics and different liquidity.

Alkeon employs a bottom-up, fundamentally driven, research-intensive approach to investing. On the long side, Alkeon's investment program focuses on investing in the equity securities of companies that Alkeon believes are well positioned to benefit from demand for their products or services, including companies that can innovate or grow rapidly relative to their peers in their markets. On the short side, Alkeon may effect short sales of securities when it believes that the market price of a security is above its estimated intrinsic or fundamental value. This analytical process can involve the use of valuation models, review and analysis of published research, and, in some cases, discussions with industry experts, management teams, private companies, customers and company visits. Alkeon also takes into account economic and market conditions.

### Global Growth Strategy

Alkeon employs its global growth long-short equity strategy (the "Global Growth Strategy") for the Alkeon Growth Funds, the OAM Funds and the Insurance Series. The Global Growth Strategy primarily invests in long and short positions of global growth stocks and related instruments such as options and swaps. Compared to Alkeon's other investment strategies, the Global Growth Strategy generally invests with greater short market exposure, invests in a more diversified manner and holds a smaller number of more speculative or less liquid positions (e.g., convertible bonds or private investments).

Alkeon UCITs is managed with a similar strategy to the Global Growth Strategy but has different position concentration and holdings than other funds within the Global Growth Strategy primarily due to the more frequent liquidity requirements of UCITs funds.

### Select Strategy

Alkeon employs its select strategy (the "Select Strategy") for the Alkeon Select Funds. The Select Strategy primarily invests in long positions of global growth stocks and related instruments such as options and swaps as well more speculative and less liquid instruments, such as smaller-cap companies and convertible bonds. Compared to Alkeon's other investment strategies, the Select Strategy generally invests with greater long market exposure, may be less diversified and may hold a greater number of more speculative or less liquid positions (e.g., convertible bonds).

### Innovation Strategy

Alkeon employs its innovation strategy (the "Innovation Strategy") for the Alkeon Innovation Funds, Alkeon Innovation II Funds, Alkeon Innovation Opportunity Funds, Alkeon Innovation II Funds, Private Series and Alkeon Lux. The Innovation Strategy primarily invests in private venture capital investments. The Alkeon Innovation Funds and Alkeon Innovation II Funds may also invest in long and short positions of global growth stocks and related instruments such as options, swaps and convertible bonds (in addition to private venture capital investments). Compared to Alkeon's other investment strategies, the Innovation Strategy may be less diversified and hold a greater number of private securities and convertible bonds.

### General Disclosure

The investment strategies summarized above represent Alkeon's current intentions, are general in nature and are not exhaustive. Other than limitations in a particular fund's investment program or those imposed by applicable law, there are no limits on the types of securities in which Alkeon may take positions on behalf of its clients, the types of positions that it may take, the concentration



of its investments or the amount of leverage that it may use. Alkeon may use any trading or investment techniques, whether or not contemplated by the expected investment strategies described above. In addition, there are limitations in describing any investment strategy due to its complexity, confidentiality and indefinite nature. Depending on conditions and trends in securities and commodities markets and the economy generally, Alkeon may pursue any objectives or use any techniques that it considers appropriate and in clients' interests.

## **Risk Factors**

Investing in securities involves risk of loss that clients should be prepared to bear. Below are some of the risks that investors should consider before investing in any fund that Alkeon manages. Any or all of such risks could materially and adversely affect investment performance, the value of any fund or any security held in a fund, and could cause investors to lose substantial amounts of money. Below is only a brief summary of some of the risks that a client or investor may encounter. Potential investors in a fund should review such fund's offering documents carefully and in their entirety, and consult with their professional advisors before deciding whether to invest.

- A fund may be concentrated in securities of technology companies, which involves additional risks. These risks include, among other things, the relatively limited operating history of many technology companies, the rapidly changing technologies underpinning these companies' operations, and the cyclical spending patterns in technology.
- A fund may be concentrated in securities of growth companies, many of which may have small-sized market capitalizations, typically do not pay dividends, and may be more volatile than other types of stocks. Those securities involve substantially higher risks than do investments in securities of non- growth sectors and larger companies.
- Investor sentiment on the market, an industry or an individual stock, fixed income or other security is not predictable and can adversely affect a fund's investments.
- A fund may not achieve its investment objectives. A strategy may not be successful and investors may lose some or all of their investment.
- Alkeon may take positions in securities of small, unseasoned companies that are less actively traded and more volatile than those of larger companies.
- Alkeon sells securities short, resulting in a theoretically unlimited risk of loss if the prices of the securities sold short increase.
- Changes in economic conditions can adversely affect investment performance. At times, economic conditions in the U.S. and elsewhere have deteriorated significantly, resulting in volatile securities markets, rapid changes in interest rates, high inflation, contracting credit availability and large investment losses. Government actions responding to these conditions could lead to negative consequences to investors.
- A fund's investments may not be diversified. Therefore, a loss in any one position, industry or sector in which a fund has invested may cause significant losses.

- Alkeon may invest in companies involved in (or are the target of) special situations such as acquisition attempts, liquidations, work-outs, spin-offs and other similar transactions. There is substantial uncertainty concerning the outcome or occurrence of these special situations and therefore any investment in such companies entails an increased risk of loss.
- Some of a fund's positions may be or become illiquid, in which case Alkeon may not be able to sell such positions.
- Alkeon may invest in emerging markets which involves additional risks not typically associated with investing in more established economies or securities markets.
- If the valuation of a fund's assets is inaccurate, Alkeon might receive more compensation than that to which it is entitled, a new investor in a fund might receive an interest that is worth less than the investor paid and an investor that is withdrawing assets might receive more than the amount to which the investor is entitled, to the detriment of other investors. The fund and not Alkeon is responsible for any trade errors that Alkeon makes for that fund, even when the error hurts the fund, unless (1) the CCO determines otherwise (e.g., if the CCO determines that the error is not within the limitation of liability clause in the governing documents for that fund) or (2) otherwise provided in the governing documents for that fund.
- Alkeon invests in securities of non-U.S. companies and governments. The risks of these investments include: political risks; economic conditions of the country in which the issuer is located; limitations on foreign investment in any such country; currency exchange risks; withholding taxes; limited information about the issuer; limited liquidity; and limited regulatory oversight.
- Alkeon may use leverage by borrowing on margin, investing in derivative instruments (such as options, swaps and futures), or by borrowing from a credit facility, which increases volatility and the adverse impact to which Alkeon's funds may be subject.
- Alkeon may purchase and sell options on securities and currencies (including index options). The sale of options could result in unlimited loss depending on actual price movement in the underlying security.
- Alkeon may purchase and sell derivatives such as swaps, forwards and other custom derivative or synthetic instruments that are subject to the risk of nonperformance by the counterparty to such instruments, including risks relating to the financial soundness and creditworthiness of the counterparty.
- Alkeon may invest in or sell short shares of ETFs and other similar instruments. ETFs charge investors a separate set of fees and expenses, including an advisory fee, as well as custody, brokerage, legal and accounting fees. An Alkeon fund investor will effectively be paying two levels of advisory fees with respect to Alkeon's investments in ETFs.

- A fund may not be able to generate cash necessary to satisfy investor withdrawals and redemptions. Substantial withdrawals and redemptions in a short period could force Alkeon to liquidate investments too rapidly, and may so reduce the size of a fund that it cannot generate returns or reduce losses.
- Alkeon's investment program emphasizes active management of the portfolio. Consequently, the fund's portfolio turnover and brokerage commission expenses may exceed those of other private investment funds. A high portfolio turnover rate may also result in the greater realization of capital gains, including short-term gains which are taxable to certain investors at the same rates as ordinary income.
- Counterparties such as brokers, dealers, banks and other custodians and administrators with which Alkeon does business on behalf of the funds may default on their obligations. For example, a fund may lose its assets on deposit with a bank or broker if the bank, broker, its clearing broker or an exchange clearing house becomes bankrupt or insolvent.
- A fund may limit or suspend withdrawals or redemptions of an investor's assets from the fund.
- Alkeon may provide certain investors or clients more frequent or detailed reports, special compensation arrangements and withdrawal redemption rights that it does not provide to other investors or clients.
- A fund may establish a reserve for contingencies if Alkeon considers it appropriate. Investors may not withdraw or redeem assets covered by that reserve until it is lifted.
- Some of the funds that Alkeon manages are not registered investment companies under the 1940 Act. Alkeon believes that this registration is not required because an exemption is available under applicable law. Investors in those funds do not have certain regulatory protection that they would have if this registration was in place.
- The attorneys who represent Alkeon do not represent investors. Investors must hire their own counsel for legal advice and representation.
- Federal, state and international governments may increase regulation of investment advisers, private investment funds and derivative securities, which may increase the time and resources that Alkeon must devote to regulatory compliance, to the detriment of investment activities.
- The occurrence of a disaster such as a cyber-attack, a natural catastrophe, a pandemic, an industrial accident, a terrorist attack or war, events unanticipated in Alkeon's disaster recovery systems, or a support failure from external providers, could have an adverse effect on the ability of Alkeon and its funds to conduct business and on their operations and financial condition, particularly if those events affect Alkeon's or its funds' computer-based data processing, transmission, storage, and retrieval systems, or if these events destroy data. If a significant number of Alkeon's employees were unavailable in the event of a disaster, the ability of Alkeon and its funds to effectively

conduct business could be severely compromised. These events may also negatively affect global supply chains, markets, and the performance of the funds.

- Alkeon's activities could cause adverse tax consequences to funds and investors, including liability for interest and penalties.
- Alkeon and its affiliates may spend time on activities that compete with a fund without accountability to investors, including investing for other clients and their own accounts. If Alkeon receives better compensation and other benefits from managing other assets or funds compared to managing another fund, it has incentive to allocate more time to those other activities. These factors could influence Alkeon not to make investments on a fund's behalf even if such investments would benefit the fund.
- Alkeon will invest in private companies. There is no assurance that a private company will complete a public offering or be sold, and Alkeon may not be able to realize value on such positions for several years after the date of the initial investment, if at all. In addition, a fund may be subject to, or may agree to become subject to, lockup-up periods subsequent to an initial public offering or other liquidity event that may restrict a fund's ability to sell a position and distribute realized gains. In any case, Alkeon may continue to hold positions after they become liquid. In addition to being illiquid, private companies are subject to a number of other risks, including, but not limited to: (i) extraordinarily high degree of business and financial risk and potential need for additional capital; (ii) substantial variation in operating results from period to period; (iii) additional funding requirements (which may not be available) and potential dilution; (iv) significant time required for investments to mature and profits (if any) to be realized; and (v) potential difficulty in ascertaining fair market value.
- Alkeon and its funds may be exposed to a variety of litigation risks, due to, for example, actions that Alkeon or its personnel take as shareholders or as board members of private companies, particularly in consequence of the substantial likelihood that one or more private company will face financial or other difficulties during the term of the funds' investment. Those funds may be required to indemnify Alkeon and its personnel for their losses and defense costs and expenses in connection with such litigation.
- Alkeon uses alternative data in its investment process. Alternative data includes datasets that have been culled from a variety of sources, such as internet and app usage, payment and financial transaction records, job postings, applications and devices (such as smartphones) that generate location and mobility data, data gathered by satellites, and government and other public records databases. Alkeon may not be successful in its use of alternative data in the investment process. Additionally, there has been increased scrutiny from a variety of regulators regarding the use of alternative data in this manner, and its use or misuse under current or future laws and regulations could create liability for Alkeon and the funds it manages. Additionally, any future limitations on the use of alternative data could have a material adverse impact on Alkeon and the funds.

The above is only a brief summary of some of the important risks that a client or investor may encounter. Before deciding to invest in a fund that Alkeon manages, you should consider carefully all of the risk factors and other information in the fund's offering documents.

**Item 9. Disciplinary Information**

Not applicable.

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

Alkeon is the sole member of SilverBay Capital Management, LLC, a Delaware limited liability company (“SilverBay”) that was formed in August 2009, which is also registered as an investment adviser with the SEC. Alkeon’s personnel (through SilverBay) manage ACAP Strategic Fund, a registered investment company, and may manage other registered investment funds in the future.

Some of Alkeon’s personnel also are registered representatives and employees of Breakwater Group Distribution Services, LLC (“Breakwater”), a broker-dealer of which Alkeon and certain personnel are the only members. Currently, Breakwater assists in the distribution of the ACAP Strategic Fund and does not maintain a trading function. Additional information about SilverBay is available on the SEC’s Investment Adviser Public Disclosure website, and additional information about Breakwater is available on FINRA’s website.

Alkeon Capital Advisers, LLC, an affiliate of Alkeon that is owned primarily by Mr. Sparaggis, is the general partner of the Growth US Feeders and Select US Feeder.

Alkeon Innovation Advisers, LLC, an affiliate of Alkeon that is owned primarily by Mr. Sparaggis, is the general partner of all of the Alkeon Innovation Funds and Alkeon Innovation Opportunity Funds except for the Innovation Offshore Feeder.

Alkeon Innovation Advisers II, LLC, an affiliate of Alkeon that is owned primarily by Mr. Sparaggis, is the general partner of all of the Alkeon Innovation II Funds and Alkeon Innovation II Funds, Private Series.

Alkeon Innovation (General Partner) S.à r.l., an affiliate of Alkeon that is owned primarily by Mr. Sparaggis, is the general partner of Alkeon Lux.

Alkeon Innovation Lux CIP SCSp, an affiliate of Alkeon that is owned primarily by Mr. Sparaggis, is the carried interest partner of Alkeon Lux.

As detailed in Item 4 above, Alkeon acts as sub-adviser to an investment fund registered under the 1940 Act.

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

Alkeon, its employees and their immediate family members may, from time to time, make investments for their own accounts that differ from the investments that Alkeon makes for its clients. These persons may also have a pre-existing interest or position in securities Alkeon also invests in for its clients. The investment objectives of Alkeon, its employees and their immediate family members may conflict with the investment objectives of the funds and/or clients that Alkeon manages or advises. Alkeon employees or their immediate family members may also invest in the funds that Alkeon manages or advises; such personal investments may not be balanced between funds or strategies. Alkeon also manages proprietary investment vehicles that are beneficially

owned solely by Alkeon personnel or their affiliates and that pursue different investment strategies than those that it employs on behalf of its other clients.

Alkeon and its employees have a fiduciary duty to place the interests of Alkeon's clients ahead of their own. Accordingly, employees of Alkeon and their family members are required to comply with a Code of Ethics governing personal trades, which was designed to comply with applicable provisions of Sections 204A and 206 of the Investment Advisers Act of 1940 and Rule 17j-1 under the 1940 Act. The Code of Ethics generally requires that employee trades be "precleared" and limits the timing and execution of those trades so as not to disadvantage client positions. Trades of employees and family members will be monitored by Alkeon's compliance team. In addition, employees and related persons are required to have duplicate brokerage statements and trade confirmations sent to Alkeon, which are also reviewed by Alkeon's compliance team. Alkeon requires that all individuals must act in accordance with all applicable regulations governing federally registered investment advisers. Alkeon's Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. Any managing member, member, officer, employee, or agent of Alkeon's not in compliance with Alkeon's Code of Ethics may be subject to discipline. Clients and prospective clients may obtain a copy of Alkeon's Code of Ethics by contacting Alkeon's Managing Director of Legal and Compliance via e-mail at [jshufro@alkeoncapital.com](mailto:jshufro@alkeoncapital.com) or by telephone at (212) 716-6840.

Alkeon provides advisory or sub-advisory services to its clients (which, from time to time, include Alkeon's own proprietary accounts or other accounts or funds that are owned primarily or exclusively by its affiliates, officers, employees or other personnel) using different investment strategies with a common investment objective of capital appreciation. While Alkeon's investment strategies have a common investment objective and may have overlapping positions, they are intended to offer investors different portfolio risk and return characteristics and different liquidity.

Because Alkeon manages more than one account, there are conflicts of interest over its time devoted to managing any one account and allocating investment opportunities among all accounts that it manages. For example, Alkeon selects investments for each client based solely on investment considerations for that client. Different clients have differing investment strategies and expected levels of trading. Alkeon may buy or sell a security for one type of client but not for another, or may buy (or sell) a security for one type of client while simultaneously selling (or buying) the same security for another type of client. In addition, certain Alkeon officers or affiliates own significant portions of several funds. Such affiliated parties have access to information regarding the funds that is not available to other investors, and their investments in the funds, while generally subject to the asset-based management fee, are not subject to any performance-based incentive allocation. Such investments pose a risk that Alkeon and the individuals who are in a position to control the allocation of investment opportunities to the funds will favor those funds in which affiliated parties have a greater financial interest, particularly in the case of limited opportunities (such as IPOs and private placements) or other investments that are otherwise subject to limited capacity. Alkeon will consider subjective criteria in evaluating whether a particular investment opportunity or strategy is appropriate and feasible for one or more client at a particular time. These criteria typically include, but are not limited to the following: (i) the nature of the investment opportunity taken in the context of the other investments available at the time and the investment strategies of the different clients; (ii) the liquidity of the investment relative to the needs of the particular entity or account; (iii) the availability of the opportunity (e.g., size of the obtainable position); (iv) the transaction costs involved; (v) the investment or regulatory limitations applicable to the particular entity or account and (vi) the liquidity needs and available

capital of the particular account. Similarly, Alkeon will consider subjective criteria when determining if a limited investment opportunity (such as an IPO or private investment) is an investment that is appropriate and feasible (in light of restrictions on investments in IPOs) for a client and/or other clients. Accordingly, a particular client may not be able to take full advantage of an investment opportunity to the extent Alkeon determines, in its sole discretion, that such opportunity is not appropriate for such client. Additionally, Alkeon's private investment allocation policy provides that those funds which pursue the Innovation Strategy will generally receive priority allocations of all private investments presented to Alkeon, subject to the general allocation criteria provided above. In the context of any particular investment opportunity, these considerations may be different for a particular client and some or all other clients, and as such the investment activities of a particular client and Alkeon's other clients will differ from time to time. It is Alkeon's policy, to the extent practicable, to allocate investment opportunities to its clients fairly and equitably over time. Alkeon is not obligated to acquire for any account any security that Alkeon or its officers, managers, members or employees may acquire for its or their own accounts or for any other client, if in Alkeon's absolute discretion, it is not practical or desirable to acquire a position in such security for that account.

To the extent a particular investment is suitable for multiple clients, factoring in investment strategy and regulatory considerations, among other items that Alkeon, in its sole discretion, may consider, such investments will be allocated between clients based on available capital, committed capital, assets under management or in some other manner that Alkeon determines is fair and equitable under the circumstances to all clients.

## **Item 12. Brokerage Practices**

Subject to the investment guidelines and restrictions imposed by clients, Alkeon generally has the authority to determine, without specific client consent, the securities and amounts thereof to be purchased or sold. In selecting brokers or dealers to execute transactions, Alkeon need not solicit competitive bids and does not have an obligation to seek the lowest available commission cost or to negotiate "execution only" commission rates. In selecting brokers and negotiating commission rates, Alkeon may take into account, among other things the execution capability and quality, financial stability, reputation, difficulty of executing the order, capital commitment, or whether the order is to be executed at the market or worked over time and brokerage and research services provided by such brokers. Under no circumstances does Alkeon consider the marketing efforts of broker-dealers on behalf of the funds for which it serves as investment adviser in selecting broker-dealers to execute trades. Such marketing efforts include the sales of the funds advised by Alkeon. However, some broker-dealers that effect securities transactions for the funds will have a relationship with Alkeon or its affiliates to market the funds or other investment vehicles managed by Alkeon or its affiliates.

Alkeon may also purchase from a broker or allow a broker to pay for the following (each a "soft dollar" relationship):

- research reports, services and conferences, including third-party research fees;
- technical data;
- periodical subscription fees;
- consultations;

- performance measurement data;
- on-line pricing;
- news wire and data processing charges; and
- quotation services.

Alkeon may receive soft dollar credits based on certain principal, as well as agency, securities transactions with brokers or direct a broker that executes transactions to share some of its commissions with a broker that provides soft dollar benefits to Alkeon.

During Alkeon's last fiscal year, it acquired products and services with client brokerage commissions or markups including, but not limited to: research from independent research firms, order management systems, market data, consultation firms and industry news services and publications.

In some instances, Alkeon may receive a product or service that may be used for both research and non-research purposes (e.g., an order management system, trade analytical software or proxy services). In such instances, Alkeon will make a good faith effort to determine the relative proportion of the product or service used to assist Alkeon in carrying out its investment decision-making responsibilities and the relative proportion used for administrative or non-research purposes. The proportion of the product or services attributable to assisting Alkeon in carrying out its investment decision-making responsibilities will be paid through brokerage commissions generated by client transactions and the proportion attributable to administrative or other non-research purposes will be paid for by Alkeon from its own resources.

Section 28(e) of the Securities Exchange Act of 1934 provides a "safe harbor" to investment advisers who use commission dollars of their advised accounts to obtain investment research and brokerage services that provide lawful and appropriate assistance to the adviser in performing investment decision-making responsibilities. Conduct outside of the safe harbor of section 28(e) is subject to the traditional standards of fiduciary duty under state and federal law. Alkeon uses soft dollars solely to pay for (i) certain expenses which would otherwise be borne by a client account (and which therefore do not involve the conflict of interest issues normally presented by "soft dollar" arrangements) or (ii) products or services that qualify as "research and brokerage services", within the meaning of Section 28(e). In some cases, these services are generated by third parties but are provided to Alkeon by or through brokers.

Alkeon may pay to a broker commissions and mark-ups that exceed those that another broker might charge for effecting the same transaction because of the value of the brokerage, research, other services and soft dollar relationships that such broker provides. Alkeon determines in good faith that such compensation is reasonable in relation to the value of such brokerage, research, other services and soft dollar relationships, in terms of either the specific transaction or Alkeon's overall fiduciary duty to its clients. An account may, however, pay higher commissions and mark-ups than are otherwise available or may pay more commissions or mark-ups based on account trading activity. Alkeon does not allocate soft dollar benefits to client accounts proportionately to the soft dollar credits that the accounts generate. Some accounts may generate a disproportionate amount of soft dollar credits when compared to other accounts using the same research services. Some accounts may generate little or no soft dollar credits but benefit from the soft dollar credits (and the research services they provide) generated by other accounts.



Alkeon's relationships with brokers that provide soft dollar services influence Alkeon's judgment and create conflicts of interest in allocating brokerage business between firms that provide soft dollar services and firms that do not and in allocating the costs of mixed-use products between their research and non-research uses. Alkeon has an incentive to select or recommend a broker based on Alkeon's interest in receiving soft dollar services rather than clients' interest in receiving the most favorable execution. These conflicts of interest are particularly influential to the extent that Alkeon uses soft dollars to pay expenses it would otherwise be required to pay itself.

To address these conflicts of interest Alkeon, Alkeon utilizes a Brokerage Committee that usually meets on a quarterly basis to review items such as the research and execution services provided by brokers and soft dollar services, among others. The Brokerage Committee is comprised of representatives from Research, Trading, Compliance and Operations. The Brokerage Committee will normally review reports on the volume and type of business executed with various brokers.

Brokerage commissions which a client pays may vary in accordance with the particular broker used to execute a trade and the type of portfolio managed by Alkeon on behalf of a particular client. Rates for both listed and over-the-counter ("OTC") trades executed through electronic crossing networks ("ECNs") are transacted at rates less than that of commissions paid to brokers who provide research related services. These rates are reviewed by the Brokerage Committee on a regular basis to determine if changes are needed. Alkeon may pay lower commission rates on stocks and options below a certain dollar value per share or contract.

Alkeon may at times execute a trade through a certain broker but then "step out" the trade to a different broker. This occurs when Alkeon determines the order is best executed through a certain broker but would like to pay a commission to another broker for research provided to Alkeon. If trades are executed through an ECN and then "stepped out" to a broker providing research, clients and/or funds may sometimes pay a higher commission rate than would be paid if the commission were paid to the ECN as the rates for brokers providing research is typically higher than that of ECNs.

Alkeon may effect securities transactions with broker-dealers who may have provided Alkeon employees with gifts or reasonable business entertainment. Alkeon has adopted a Gift and Business Entertainment Policy to address this conflict of interest and to ensure that brokers are selected on the basis of the brokerage and research services provided to Alkeon (all gifts to Alkeon employees in excess of \$250 must be reported to Gregory Jakubowsky, Alkeon's Chief Compliance Officer, or his designee). No Alkeon employee may solicit gifts, and no cash gifts may be accepted.

Alkeon may also execute securities transactions with broker-dealers whose representatives may have invested in funds to which Alkeon provides portfolio management and/or subadvisory services.

In the regular course of business, Alkeon may aggregate and enter with a single broker simultaneous trade orders in a given security for groups of its clients. Generally, trades are allocated pro-rata among all accounts in a client group or among different funds that employ the same strategy. The pro-rata allocation can be modified to level positions across multiple funds that employ the same strategy. This allows for accounts run in parallel to more closely track each other. Allocations may substantially vary among funds or client groups that employ similar investment strategies based on a number of factors, including cash availability, pending cash additions or withdrawals, account liquidity, any restrictions placed on a client's portfolio by the client or by

virtue of federal or state law, portfolio market exposure, sector exposures, position size, and concentration parameters that may vary among different strategies, offsetting existing or contemplated long or short positions and other factors.

Certain investments may qualify only for a subset of client groups or funds based on the nature of the underlying investment employed. Certain investments may not be simultaneously entered or exited for funds that employ different strategies.

Trades among all accounts or among different funds that employ the same strategy may be allocated on other than a pro-rata basis if the number of shares executed at a given price is deemed too small to warrant allocation among all funds. In such cases, Alkeon may allocate the order to those client accounts that can receive their full allocations from the partial execution, rather than allocating such execution among all funds. Alkeon will enter the balance of the order with another broker and will allocate those trades to remaining funds.

Generally when the portfolio manager determines it is an appropriate investment for a client or strategy, Alkeon will implement its initial public offering (“IPO”) allocation procedures. These investments are allocated pro-rata to eligible investors within a strategy, which may cause performance variations among different funds in the same strategy. Certain funds or clients may not participate in IPO allocations due to restrictions, guidelines, suitability, client direction, cash availability, pending cash additions or withdrawals, portfolio market exposure, sector exposures, or position sizes, among others.

It may not always be possible or consistent with the investment objectives of Alkeon’s various funds for the same investment positions to be taken or liquidated at the same time. Accordingly, from time to time Alkeon may purchase a given security for one or more funds on the same day as Alkeon sells or sells short the same security for other funds. Certain positions and position sizes can vary between funds that employ different or the same strategy which may cause performance variations among different funds in the same strategy.

In the course of trading for the funds that Alkeon manages, a number of potential situations could occur, including the portfolio manager could buy or sell for one fund or strategy on a specific day and buy or sell the same security for another fund or strategy on subsequent days, among others. In each instance, Alkeon has outlined allocation procedures to deal with the different scenarios that may arise. Other scenarios that may occur are handled on an ad hoc basis by the CCO.

From time to time, Alkeon may trade the same security on the same day for different funds within the same strategy at prices that are not identical. This will usually occur as a result of capital inflows or withdrawals. Any rebalancing of funds is done at the discretion of Alkeon and may result in performance variations among different funds in the same strategy.

### **Item 13. Review of Accounts**

Each account receives ongoing and continuous investment management and will be subject to supervisory review by Mr. Panayotis Sparaggis, Alkeon’s Managing Member. Matters generally reviewed include adherence to guidelines established by Alkeon relating to specific securities held and adherence to client-established guidelines.

Each investor in the Alkeon Growth Funds and Alkeon Select Funds receives a monthly letter that includes a brief market commentary and certain performance information. Investors in those

Alkeon Funds also receive monthly statements showing account values that are prepared by the administrator and reviewed by Alkeon. Investors will receive an annual report that will include audited financial statements as of the end of each fiscal year and may also receive a quarterly commentary letter.

Each investor in the Alkeon Innovation Funds, Alkeon Innovation Opportunity Funds, Alkeon Innovation II Funds, Alkeon Innovation II Funds, Private Series and Alkeon Lux will receive a quarterly letter. Investors in those Alkeon Funds also receive quarterly statements showing account values that are prepared by the administrator and reviewed by Alkeon. Investors will receive an annual report that will include audited financial statements as of the end of each fiscal year.

#### **Item 14. Client Referrals and Other Compensation**

Alkeon pays third parties who provide client or investor referrals and ongoing investor servicing a percentage of the compensation that Alkeon otherwise would receive from such client or investor. Any payment made pursuant to these arrangements creates an incentive for the third parties to recommend Alkeon, resulting in a material conflict of interest. Alkeon addresses the conflict of interest by ensuring that the relevant client or investor receives appropriate disclosure of that arrangement.

#### **Item 15. Custody**

Alkeon or Alkeon affiliates are the manager or the general partner of certain investment funds Alkeon manages, and thus they are deemed to have custody of those funds' assets. In addition, Alkeon or one of its affiliates maintains custody of certain privately offered securities owned by some of the investment funds it manages. Alkeon is not required to comply with some of the Advisers Act's requirements regarding custody because each such fund is subject to audit at least annually and distributes its audited financial statements prepared in accordance with generally accepted accounting principles to all investors within 120 days of the end of its fiscal year.

#### **Item 16. Investment Discretion**

Alkeon has broad discretionary authority to manage investment accounts on behalf of its clients pursuant to a grant of authority in each investment fund's constituent documents, subject to any investment restrictions in a particular client's constituent documents.

#### **Item 17. Voting Client Securities**

Alkeon has entered into an agreement with Institutional Shareholder Services ("ISS"), an independent third party, for ISS to provide Alkeon with its research on proxies and to facilitate the electronic voting of proxies. Alkeon has adopted ISS's proxy voting policies in order to ensure that it votes proxies in the best interests of its clients. Alkeon has instructed ISS to vote all proxies in accordance with this policy, unless instructed by Alkeon to vote otherwise. Notwithstanding the possibility that a material conflict of interest over proxy voting may arise between Alkeon and a client, Alkeon believes that it places the interests of its clients ahead of Alkeon's own interests by following ISS' guidelines. Alkeon periodically evaluates ISS, its proxy voting guidelines and other matters related to ISS's processes for making recommendations.

Clients may obtain a copy of the proxy voting procedures and information about how Alkeon voted a fund's proxies by contacting Greg Jakubowsky via e-mail at [gjakubowsky@alkeoncapital.com](mailto:gjakubowsky@alkeoncapital.com) or by telephone at (212) 716-6570.

**Item 18. Financial Information**

Not Applicable.

**Item 19. Requirements for State-Registered Advisers**

Not Applicable.

### **Trade Error Policy**

Alkeon places orders for the purchase and sale of securities with brokers on behalf of its clients. The trading process can be complex and can vary for different types of securities. Moreover, Alkeon may be required to break up orders, or may buy or sell the same security for more than one client, further complicating the trading process. Generally, the client account with respect to which a trade error is made bears all losses, costs and expenses relating to a trade error unless (1) the CCO determines otherwise (e.g., if the CCO determines that the error is not within the limitation of liability clause in a client's investment management agreement or the agreement of limited partnership for the investment fund or client for which Alkeon is the general partner or investment advisor) or (2) otherwise provided in a client's investment management agreement or in the agreement of limited partnership for an investment fund for which Alkeon is the general partner or investment advisor. Alkeon may, in its discretion, reimburse the client account in the event of a trade error.