
MAGNETAR FINANCIAL LLC
PART 2A OF FORM ADV: FIRM BROCHURE

March 28, 2024

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Form ADV Part 2A (this “Brochure”) required by the Investment Adviser’s Act of 1940, as amended, provides information about the qualifications and business practices of Magnetar Financial LLC (“Magnetar”). If you have any questions about the contents of this Brochure, please contact Magnetar at 847-905-4400. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

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

Magnetar is a registered with the SEC as an investment adviser. Registration as an investment adviser does not imply any level of skill or training.

This Brochure does not constitute an offer to sell or the solicitation of an offer to purchase any securities of any investment fund or account. Any such offer or solicitation will be made solely to qualified investors by means of an offering and/or governing document and related subscription materials.

Item 2 - Material Changes

Magnetar is required to identify and discuss any material changes made to this Brochure since the last annual update. As of February 29, 2024, Magnetar's Energy & Infrastructure business spun out to launch an independent investment management firm called Elda River Capital Management, LLC. There are no other material changes to report since the filing of Magnetar's Form ADV Part 2A, dated March 31, 2023.

Item 3 - Table of Contents

Material Changes	i
Table of Contents	ii
Advisory Business	1
Fees and Compensation	2
Performance-Based Fees and Side-By-Side Management	8
Types of Clients	9
Methods of Analysis, Investment Strategies and Risk of Loss.....	9
Disciplinary Information.....	18
Other Financial Industry Activities and Affiliations	19
Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	19
Brokerage Practices	28
Review of Accounts.....	31
Client Referrals and Other Compensation	31
Custody	32
Investment Discretion	32
Voting Client Securities.....	32
Financial Information.....	33

Item 4 - Advisory Business

Magnetar Financial LLC (“Magnetar” or the “Investment Manager”) is a Delaware limited liability company and has been an SEC registered investment adviser since September 2005. Magnetar Capital Partners LP is the sole member of Magnetar Financial LLC. The general partner of Magnetar Capital Partners LP is Supernova Management LLC. Supernova Management LLC is owned by David Snyderman, Ross Laser and Alec Litowitz.

Effective October 24, 2022, David Snyderman was appointed Chief Executive Officer of Magnetar.

Magnetar Financial LLC serves as the investment manager for, and provides discretionary and may at times provide non-discretionary investment advisory services to, several U.S. and non-U.S. private investment funds and separately managed accounts. The private investment funds and separately managed accounts may pursue a single strategy or multiple strategies and may invest in a wide range of securities, derivatives and other assets. “ The private investment funds for which Magnetar acts as investment manager are referred to collectively as the “Funds.” The Funds can be broadly categorized as “Internal Funds,” which are anticipated to have as their only investors one or more of the other Funds, and “External Funds,” which accept investments from outside investors. The External Funds may invest any or all of their assets into one or more Internal Funds rather than trading directly.

Magnetar has full discretion in trading on behalf of the Funds. Magnetar does not require, and does not seek, approval from the Funds or the investors in the Funds with respect to its trading. Magnetar provides discretionary (and, in some cases, non-discretionary) investment advisory services to separately managed accounts and, as such, will tailor its advisory services to the needs of the client which owns the separately managed account. The separately managed accounts for which Magnetar acts as investment manager are referred to collectively as the “SMAs.” Investors may impose restrictions on investing in certain securities or types of securities in a SMA.

Magnetar also manages co-investment funds, funds of one, including funds of one that may invest solely through co-investment funds managed by Magnetar, and certain other investment vehicles. Where appropriate under the circumstances, Magnetar also expects to serve as investment advisor and/or sub-adviser to additional accounts, products or private investment funds in the future, including funds of one and other pooled investment vehicles.

Together, the Funds and SMAs are referred to collectively herein as the “Clients”.

As of December 31, 2023, Magnetar managed \$23,106,396,704 of gross client assets, substantially all of which are managed on a discretionary basis.

The descriptions set forth in the Brochure of specific advisory services that Magnetar offers to Clients, and investments made by Magnetar on behalf of its Clients, should not be understood to limit in any way Magnetar's investment activities. Magnetar may offer any advisory services, engage in any investment strategy and make any investment including any not described in this Brochure, that Magnetar considers appropriate, subject to each Client's investment objectives and guidelines.

Item 5 - Fees and Compensation

Prior to investing in a Client, each investor is asked to carefully read and review the particular Client's offering and/or governing documents for a complete understanding of the terms of the Client, including, the compensation received by Magnetar and its affiliates and how such compensation is calculated, the expenses paid by the Client and withdrawal rights. The information contained in this Brochure is only a summary and is qualified in its entirety by each such Client's offering and/or governing documents.

Compensation for Advisory Services.

Magnetar's fee schedule is omitted because this Brochure is only being delivered to qualified purchasers as defined in the Investment Company Act of 1940, as amended.

Payment of Fees.

With respect to the Funds, a third-party administrator calculates and confirms the asset-based and performance-based compensation. Once calculated, the fees and allocations are deducted from the applicable Funds' accounts. Fees are primarily deducted from investor assets or, from time to time when negotiated with the investor, Magnetar may invoice investors for fees incurred. Management fees are generally paid monthly, in arrears. Incentive fees and allocations are generally paid or made annually, in arrears. Carried interest distributions, where applicable, are payable after investors have received a return of their capital contributions (or some other contractually specified return or distribution).

Fee Negotiation and Waivers.

Management fees and incentive fees and allocations generally are non-negotiable, although Magnetar may, in its sole discretion, permit certain investors to invest on different fee terms. In addition, Magnetar, either directly or through one of its affiliates, has the discretion to waive all or a portion of the management fee and/or incentive fees and allocations. In general, investors that are the Investment Manager, its affiliates, their respective principals, members, partners, officers, directors, employees and their family members and any affiliates of the foregoing (including employee benefit plans, charitable and estate planning vehicles, and trusts for the benefit of such persons) (the "Magnetar Investors") do not pay management fees and are not subject to incentive

fees and allocations. Specifically, Magnetar has consistently waived, and will continue to waive, both the management fees and incentive fees and allocations for its equity owners and employees. No waiver or modification of the management fee and/or incentive fee and allocation for any investor shall entitle any other investor to any such waiver or modification.

Fees for managing single investor or non-discretionary vehicles will be set forth in the written agreement with the relevant investor(s). Generally, such arrangements will include an asset-based and/or a performance-based component and will be negotiated on a case-by-case basis and may be lower than management fees for other Funds.

Other Types of Fees and Expenses.

Investment and Operating Expenses.

In addition to compensation payable to Magnetar, and in some cases subject to certain limitations, the Clients generally pay their own organizational, investment, administrative and operating expenses, including, without limitation, the expenses listed below. This list is not intended to be exhaustive; the relevant Client offering and/or governing document provides further detail relating to fees and expenses.

- brokerage commissions and other transactional costs, fees and expenses, which are discussed in more detail below;
- interest expenses;
- fees and expenses incurred in the borrowing and lending of securities;
- the costs of acquiring and maintaining financing for a portfolio;
- the costs of margin lending arrangements (if applicable);
- the costs implicit in repurchase and reverse repurchase agreements;
- research and due diligence expenses of Magnetar, its affiliates and third-party consultants (including any independent environmental, social and governance (“ESG”) consultant retained to provide strategic advisory-related services related to ESG practices), including travel, research and due diligence or analyses related to proposed or existing investments (including expenses for transactions that are not consummated (*i.e.*, broken deal expenses));

- all expenses and fees incurred in connection with any actual or proposed investment (including external legal counsel expenses, trustee fees and calculation agent expenses) or other participation in, or any holding or disposition of any interest in, another investment entity, business entity or organization, whether consummated or not, including expenses related to investing with an operating partner, management fees, performance compensation and/or reimbursement of overhead expenses paid to joint venture managers and other managers and fees and expenses related to the organization of joint ventures and other manager funds (to the extent applicable);
- expenses incurred in connection with the execution, carrying, servicing, or management of investments and any related financing, including costs related to software and other technology and fees of third party service providers and consultants, including without limitation, Magnetar's order management systems, margin and security financing systems, valuation software and services, data collection/storage and research services relating to issuers in which the Funds or SMAs invest;
- fees relating to investment banking and other financial services, whether payable to parties affiliated with Magnetar or others;
- fees and expenses of the Funds' directors, including fees associated with director meetings (if applicable);
- administrative (including the fees and expenses of the Fund's administrator or any additional or successor administrator), custodial, accounting, valuation, tax, audit, legal and compliance fees and expenses, including expenses incurred with the preparation and filing of any applicable regulatory reporting, record-keeping charges, and third-party account payable servicing charges;
- consulting and third party service provider fees and expenses, including asset based and performance based compensation paid to consultants who source transactions for the Clients;
- fees relating to investment banking and other financial services;
- fees and expenses of investment committees, valuation agents and investor representatives, if any;
- expenses relating to the development and/or implementation of software and data;

- information-related expenses (including Bloomberg terminals and fees, third-party licensing fees, data feeds (including expenses incurred in connection with data services providing market data, price feeds, news feeds, investment information and company fundamental data), market research (including expenses incurred in connection with information services providing market research, price evaluation, news feeds, investment information and company fundamental data), and other costs, fees and expenses for other third-party research, news, industry information, analytics and research resources);
- all expenses incurred in connection with any shareholder (or advisory committee) meeting held by the Funds, including travel, meals, lodging and related expenses;
- costs related to proxy voting or solicitations;
- expenses incurred in the course of voting securities owned by the Clients and participating in any class-action litigation, including, but not limited to, the costs of any consultants or other outside vendors retained to assist with such proxy voting or the filing of class-action notices on behalf of the Clients;
- all expenses incurred in connection with liquidating portfolio assets, including any fees and expenses of the auctioneer, liquidator, and any other entity engaged to assist in the disposition of assets (if applicable);
- insurance costs;
- taxes and other governmental charges;
- governmental registration, license and membership fees (including those payable to regulatory and self-regulatory organizations);
- all costs and expenses related to the offer and sale of Funds' shares or interests, including investor onboarding expenses;
- costs related to any service providers to Magnetar, its affiliates, and any Internal Funds or other special purpose subsidiaries or other special purpose investment vehicles formed by Magnetar, its affiliates or an SEC relying advisor ("Trading Vehicles") and incurred in the course of operating assets in which a Client invests;
- expenses incurred as a result of the Clients' indemnity obligations;

- all expenses incurred in connection with any threatened, pending or anticipated litigation, examination or proceeding;
- all other expenses and liabilities incurred in connection with or arising out of the Clients' business, including, but not limited to, extraordinary or non-recurring charges; and
- a Fund's *pro rata* share of such similar expenses as listed above of any Internal Funds and/or Trading Vehicle in which a Fund invests, including fees and expenses paid to directors.

In some cases, Magnetar or its affiliates will pay expenses on behalf of the Clients, and in these cases the Clients generally will reimburse Magnetar for these payments.

In addition, employees of Magnetar may use credit cards to pay for certain business expenses (which are allocated among Clients, as applicable) and accordingly, credit card points accrue related to the payment of those expenses. These credit card points are not allocated to the Clients.

Internal Operating Expenses.

In some cases, the External Funds pay their allocable share of ongoing internal operating expenses of Magnetar and its affiliates incurred in providing services to Magnetar's various funds and accounts. These ongoing expenses may include amounts billed to Magnetar pursuant to a contract with its affiliates, under which its affiliates agree to provide administrative and other services to Magnetar on behalf of Magnetar's Clients. The affiliates will bill Magnetar for such services on an allocable share basis, but the costs passed through to the External Funds having a pass-through arrangement will not include any profit billed to Magnetar by the affiliates on a "cost- plus" basis. In other words, any profit margin of the affiliates will be absorbed and paid solely by Magnetar.

Organizational Expenses.

The External Funds generally pay their own organizational expenses. In addition, some of the External Funds pay the organizational expenses of affiliates of Magnetar, Internal Funds and Trading Vehicles, formed to manage or hold, as the case may be, the investment or business activities, or the investment securities, of businesses in which the External Funds directly or indirectly invest.

Brokerage and Transaction Costs.

The Funds are charged brokerage commissions, bid-ask spreads and other transaction costs and expenses, including the cost of leverage, in connection with their trading and investment activities, and custodian fees for Fund assets held in cash or securities at various banks, broker-dealers and other financial institutions. For a discussion of the brokerage arrangements that Magnetar enters into on behalf of the Funds, see “Brokerage Practices,” which further describes the factors that Magnetar considers in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their compensation (e.g., commissions). SMAs likewise pay their own brokerage commissions, bid-ask spreads and other transaction costs, including the cost of leverage.

Co-investments.

Each Fund and co-investor that invests in a co-investment transaction that is consummated will participate in the costs and expenses attributable to such transaction pro rata, based on the amount of such Fund’s or co-investor’s investment as compared to all participants in the transaction. In addition, certain Funds will incur expenses in relation to transactions that are not consummated. In general, any Fund for which Magnetar has discretion and for which Magnetar was evaluating such transaction will bear at least its full pro rata share of expenses incurred for such unconsummated transactions. In addition, in certain cases, a Fund for whom Magnetar has discretion will bear a greater share of such expenses than it would have if such transaction had been consummated. However, Funds for which Magnetar does not have discretionary authority or needs a specific consent are not likely to be allocated expenses for unconsummated transactions. Notwithstanding the foregoing, Magnetar may allocate broken deal expenses to co-investors in limited circumstances, such as when they invest through a dedicated investment vehicle that participates in multiple co-investments made available by Magnetar (if such dedicated investment vehicle is formed), where such co-investors are contractually required to co-invest and where such co-investors have agreed to bear broken deal expenses as a condition of being considered for participation in a co-investment.

Employee Costs.

Certain Funds, if permitted under a Fund’s offering and/or governing documents, may directly or indirectly (in the case of a Master Fund) bear its allocable share of the Investment Manager’s Employee Costs relating to non-trading internal personnel performing (i) legal activities related to the acquisition, monitoring or divestiture of the investments of the Fund and (ii) certain back-office and middle-office administrative activities (including, but not limited to, administration and support personnel focusing on regulatory compliance, legal,

accounting, valuation, tax, investor relations, information technology and human resources) on behalf of the Fund.

“Employee Costs” include employee compensation of the Investment Manager and its affiliates, including but not limited to, all base compensation, bonuses (including supplemental, retention, discretionary and formulaic bonuses of any kind), and all employee benefits (including, but not limited to, healthcare contributions, medical insurance premiums and claims, payroll and similar taxes, social security contributions, withholding and similar taxes, workers’ compensation contributions, pension contributions, 401(k) and similar retirement or savings plan contributions and administration fees, professional dues and professional-development related expenses, tuition and commuter reimbursement plans, and certain employee perks).

SMA also generally pay the expenses of the types described above.

Item 6 - Performance-Based Fees and Side-By-Side Management

Magnetar receives from investors in some External Funds incentive compensation in the form of an allocation or fee equal to a percentage of any “new” net profit attributable to an investor’s investment interest in the External Fund. New net profit is, generally speaking, profit over a “high-water mark,” which is the greater of the value of an investment on the last date that incentive compensation was previously paid or the date of the investment. The incentive compensation is typically allocated or paid to Magnetar as of the end of the fiscal year and, for investors in certain External Funds, may be subject to a “hurdle rate.” A hurdle rate is a rate of return that must be earned before incentive compensation will be payable. For example, if a Fund had a hurdle rate of 5% and an investor achieved a return of 7%, Magnetar would be entitled to incentive compensation equal to a percentage of only the 2% return in excess of the 5% hurdle rate. In the event that an investor withdraws capital at any time other than at the end of a fiscal year, the deduction is generally made with respect to the investor as though it were being made at the end of a fiscal year. This compensation is typically based on unrealized as well as realized appreciation of assets.

Incentive allocations or incentive fees on SMAs may be negotiated on a case-by-case basis.

Magnetar receives from investors in some External Funds, rather than an incentive allocation or fee, a carried interest distribution equal to a percentage of the External Fund’s distributions. The distribution is payable to Magnetar after investors have received a return of their capital contributions to the Fund, and for some External Funds is also subject to a “preferred return” payable to investors tied to an interest rate such as the Secured Overnight Financing Rate, commonly known as “SOFR”. A preferred return is similar to a hurdle rate applicable to an incentive fee or allocation. For Funds with a preferred return, Magnetar will not be entitled to receive an incentive distribution until investors have received both a return of capital and the preferred rate of return on their invested capital.

Magnetar may also manage Clients which do not pay performance-based compensation to Magnetar but rather pay only an asset-based fee. In such event, Magnetar will have an incentive to favor Clients which pay performance-based fees over Clients which do not pay performance-based fees. Further, the existence of differing performance-based fees for Clients trading side-by-side creates a potential conflict of interest on the part of Magnetar with respect to the allocation of investment opportunities. Magnetar has policies and procedures, including trade allocation policies, designed to manage such conflicts.

Item 7 - Types of Clients

Magnetar provides discretionary, and may at times provide non-discretionary, investment advisory services to the Clients. Underlying investors in the Clients may include pension plans, financial institutions, insurance companies, foundations, state and municipal government agencies, sovereign wealth funds, funds of funds, corporations, high net worth individuals, certain Magnetar Investors, family offices, and other institutional investors other than those listed herein. All investors in the Clients are subject to applicable suitability and eligibility requirements as set forth in each Clients' offering and/or governing documents. The minimum initial investment in the Funds is generally \$5 million, subject to change or waiver at the discretion of Magnetar and/or the Fund's Board of Directors.

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

Summary of Strategies.

Magnetar is a multi-strategy and multi-product alternative investment manager that seeks to achieve stable risk-adjusted returns by opportunistically employing a wide range of, alternative credit and fixed income, healthcare, and systematic investing strategies. Magnetar invests across the capital structure in both public and private transactions utilizing both fundamental and quantitative analyses. As described in detail in the offering and/or governing documents of the Clients, Magnetar implements a variety of different strategies in managing the Clients. Some of the Clients employ a multi- strategy approach, utilizing a wide range of strategies across a range of geographies, while others focus on one or just a few strategies.

Alternative Credit and Fixed Income

The Alternative Credit and Fixed Income investment objective is to achieve consistently attractive risk-adjusted rates of return by investing across a range of private and public credit markets primarily within the US and Europe, building on decades of investment experience to dynamically capture meaningful opportunities across various market environments. Magnetar will employ these strategies based upon its quantitative analytical capabilities and

portfolio management techniques as supplemented by fundamental credit analysis. More specifically, Magnetar generally seeks to capitalize on the following opportunity sets:

- Providing growth or replacement capital to finance certain assets and businesses in such sectors as auto finance, film finance, solar power, and agricultural lending
- Supplying regulatory capital relief to banks in order to help them support their core businesses
- Opportunistically allocating capital to traditional strategies such as CLOs and Convertible Arbitrage, especially during times of market dislocation when changes in the liquidity of these opportunities render them more attractive

Systematic Investing

The Systematic Investing investment objective is to efficiently extract the return streams associated with traditional hedge fund strategies in which Magnetar has extensive practitioner experience. Magnetar implements this using proprietary data sets to support its quantitative research process, and importantly, hedge fund infrastructure covering execution, analytics, financing, and operations. The strategies on the Systematic Investing platform are expected to have the following characteristics:

- The potential to deliver returns in many types of market environments
- Endeavors to protect capital
- Are relatively liquid
- Are lowly correlated to both stock and bond markets

Healthcare

The Healthcare strategy employs an opportunistic long/short approach to investing in liquid healthcare-related equity securities, emphasizing fundamental analysis and process-oriented diligence. In managing the product's portfolio, Magnetar employs a bottom-up, fundamental approach and seeks to diversify across market and sector themes, sub-sectors and companies. Investments are typically made with a 12-18 month view (although positions may be held for shorter periods of time) and focus on mid and large-cap companies with low correlation to the S&P 500. Additionally, the Healthcare strategy takes a market neutral approach to investing, targeting a beta-adjusted net exposure of +/- 10%. Magnetar expects to make investments related to (i) medical technology and life science tools, (ii) healthcare services; (iii) healthcare technology; (iv) pharmaceutical and specialty pharmaceuticals; (v) biotechnology and (vi) other healthcare-related issuers.

Clients may hold both long and short positions in a broad range of securities, derivatives, and other assets. In executing their investment strategies, the Clients may enter into joint venture or co-investment arrangements, participate in pooled investment vehicles, invest with affiliated or unaffiliated advisors or managers, or make direct investments in operating entities. Magnetar may use leverage in the investing activities of the Clients, and may engage in short selling on behalf of the Clients.

Magnetar generally trades opportunistically on behalf of the Clients. In most cases, subject to specific strategy mandates, there are no material limitations on the instruments, markets or jurisdictions in which the Clients may invest. Magnetar anticipates that it will continue to develop and implement new analytical methods, quantitative models and investment strategies on behalf of the Clients. Certain Clients, including co-investment vehicles, have more tailored or specialized strategies, as set forth in their respective offering and/or governing documents.

Magnetar is currently exploring the use of artificial intelligence within its investment research process. As with many innovations, artificial intelligence presents risks and challenges that could affect its adoption, and therefore Magnetar's business.

Magnetar expects to obtain and use alternative data in its investment process. This type of research utilizes information that is not considered within the realm of traditional financial research and falls outside of the typical factors considered with respect thereto such as financial statements, SEC filings and management presentations. Alternative data typically comprises of large data sets often generated with technology. The use of alternative data for research can pose risks such as the receipt of material non-public information or information that is subject to privacy laws. The use of alternative data and the engagement of vendors that provide it may be costly, and there can be no assurance that such use will positively impact the performance of the Clients or their investments.

There can be no assurance that Magnetar will achieve the objectives of the Clients. An investment in a Client is speculative and involves a significant degree of risk. Clients are designed for sophisticated investors who are able to bear a substantial loss of capital and for whom an investment in a Client is not a complete investment program. Investors should be aware that they will be required to bear the financial risks of an investment in a Client for a substantial period of time. Investors may lose all or substantially all of their investment in the Clients.

Additional detail on each Client's investment strategy is included in its offering and/or other governing documents, and some or all of the investment risks described below apply to particular Clients depending on their respective investment strategies or sub-strategies.

Illustrative Strategies and Trading Techniques.

Examples of the various strategies and trading techniques that Magnetar may employ in investing the assets of the Clients within the alternative credit and fixed income, healthcare, and systematic investing strategies, subject to the Clients' respective investment mandates, include, but are not limited to, the following:

Convertible-Securities Arbitrage: Buying "long" a convertible security and selling "short" the underlying stock into which the convertible security may be converted and/or another of the issuer's debt instruments, or a credit default swap on the issuer, in anticipation of profiting from a relative misprice among them.

Merger and Event-Driven Arbitrage: Investing in the securities of publicly-traded companies involved in prospective mergers, acquisitions, cash tender offers, or similar transactions in the expectation of profiting from the difference between the price of such securities at the inception of the investment and the price of such securities in expectation of or upon consummation of the event.

Volatility Arbitrage: Seeking to identify and exploit relative mispricings in general volatility levels, skew and term structure across global markets, and differences in implied volatilities of various options. This strategy can involve individual stocks, stock indexes or non-equity instruments.

Statistical Arbitrage: Buying a security, or basket of securities, and selling "short" a related security, option, or futures contract, or basket of securities, options, or futures, when the relative prices of such securities, options or futures deviate from their historical relationship; in anticipation of profiting from a reversion in the prices of such securities, options, or futures to their historical relationship.

Capital-Structure Arbitrage: Buying and selling "short" different classes of securities of the same issuer in anticipation of profiting from a relative mispricing among them.

Equity Capital Markets Strategies: Investments in the multiple aspects of the equity capital markets, including, but not limited to, initial public offerings and secondary offerings.

Privately-Sourced Transactions: Making private or quasi-private equity or debt investments in complex situations where more traditional financing alternatives may be difficult for an issuer to access.

Fundamental Long/Short: Buying a stock or basket of stocks considered to be undervalued and selling "short" a stock or basket of stocks considered to be overvalued in anticipation

of profiting from changes in the price differential between the respective long and short positions.

Option/Warrant Arbitrage: Buying a warrant or similar derivative and selling “short” the stock purchasable upon exercise of the warrant in anticipation of profiting from a relative mispricing between them.

Directional Equity, Corporate Debt, Derivatives and Currencies: Trading in equity, debt, derivatives or currencies using technical or fundamental analysis or a combination thereof in anticipation of profiting from movements in the prices of these assets. These investments may be concentrated in specific industry sectors and may include short- or long-term investments, as well as investments in investment grade or distressed debt or equity.

Credit Strategies: Investing in instruments to obtain exposure to credit and/or volatility risks associated with the following assets or areas: the general corporate credit market as well as specific credits or companies, commercial mortgages, residential mortgages and consumer market assets.

Derivatives Companies: Investing in companies engaged primarily in the business of providing credit protection to and to a lesser extent, buying credit protection from, counterparties through a variety of credit default swaps on various types of reference obligations encompassing both single issuers as well as tranching or indexed products.

Private Companies: Committing Clients’ capital to private companies, which may be in the developmental stage, on a global basis, including to companies located in emerging markets.

AI Venture Investments: Investing in technology companies that focus on disrupting industries with artificial intelligence and machine learning.

Privatization Transactions: Purchasing equity securities in companies that are being privatized in order to profit from an increase in the price of such securities.

Solar Energy-Related Investments: Investing in a variety of primarily large-scale solar power-generation projects throughout the world.

SPAC Strategy: Investing in securities issued by special purpose acquisition companies (“SPACs”). Such securities are issued in units that may be comprised of common stock, warrants, and rights. A SPAC is a “blank check” public company, the purpose of which is to identify merger, acquisition or other transformative transactions and consummate such transactions with one or more operating businesses or assets.

Regulatory Capital Transactions. Investments providing credit exposure to a wide variety

of on-balance sheet bank loans and that are intended to free up regulatory capital held by banks against those loans, typically offering portfolio diversity and low correlation to public markets.

Material Risks / Risk of Loss.

Investing in securities involves a risk of loss that investors should be prepared to bear. The following is a summary of some of the material risks associated with the various strategies Magnetar employs on behalf of the Clients. This summary does not attempt to describe all of the risks associated with an investment in a Client, or even all risks associated with the strategies employed by the Clients. Although no summary can fully describe all of the risks associated with an investment in the Clients, the offering and/or governing documents for each respective Client contain a more complete and tailored description of these risks.

Nature of Investments.

The Investment Manager has broad discretion in making investments for the Clients. There can be no assurance that the Investment Manager will correctly evaluate the nature and magnitude of the various factors that could affect the value of and return on investments. Prices of investments may be volatile, and a variety of factors that are inherently difficult to predict, such as domestic or international economic and political developments, may significantly affect the results of the Clients' activities and the value of their respective investments. In addition, the value of the Clients' respective portfolios may fluctuate as the general level of interest rates fluctuates. No guarantee or representation is made that the Clients' respective investment objectives will be achieved.

General Economic and Market Risks.

Investment strategies are subject to some dimension of market risk, including directional price movements, deviations from historical pricing relationships, changes in the regulatory environment, changes in market volatility, "flights to quality," "credit squeezes," *etc.* The Investment Manager's style of alternative investing may be no less speculative than traditional investing strategies. Due in part to the degree of leverage employed and the leverage embedded in the derivative instruments in which the Clients may invest, the Clients may from time to time incur sudden and dramatic losses.

The particular or general types of market conditions in which the Clients may incur losses or experience unexpected performance volatility cannot be predicted, and the Clients may materially underperform other investment funds / accounts with substantially similar investment objectives and approaches.

The success of Magnetar's investments will be affected by general economic, regulatory and market conditions, including, without limitation:

- Availability of Credit

- Changes in U.S. and non-U.S. laws and regulations
- Credit Defaults
- Currency Exchange Rates Changes and Currency Depreciation
- Dearth of Market Opportunities
- Declining Equity Markets
- Disrupted markets and Other Extraordinary Events
- Distress Events in the Banking Industry
- Economic Uncertainty
- Environments Matters and Weather and Climatological Risks
- Epidemics/Pandemics and Public Health Emergencies
- European Market Infrastructure Regulation
- EU Short Selling Regulation
- Inflation Rates
- Interest Rates
- Lack of Liquidity / Valuation
- MIFID II
- National and International Political Events (including Wars, Terrorist Acts and Sanctions)
- Stagnant Markets or Deflation
- Sustainability Risks
- Trade Barriers
- Volatility
- Weather Risk

Investment and Trading Risks.

All investments made by the Clients risk the loss of capital. There is no guarantee that the Clients' investment programs will be successful, and investors are subject to the risk of substantial losses. Examples of risks primarily arising from Magnetar's investment activities and trading program include, without limitation:

- Competitive Nature for Securities Investments
- Concentration of Investments
- Concerns Regarding the Downgrade of the U.S. Credit Rating
- Control Person Liability
- Corporate Debt Obligations
- Counterparty and Custody Risk
- Credit Analysis and Credit Risk
- Credit Ratings
- Cross Class Liability
- Currency Trading
- Currency Exposure
- Cybersecurity Risk
- Discontinuation of LIBOR

- Disclosure of Intellectual Property
- Diversification
- Duration of Investment Positions
- Exemption from Regulation
- Financial Institution Risk; Distress Events
- Financing Arrangements
- Forward Trading
- Futures, Options and Derivative Instruments
- Hedging
- Illiquid Investments
- Joint Ventures and Other Managers
- Lower Rated Securities
- Market Judgment Risk
- “New Issue” Trading
- Non-U.S. Securities
- No Participation in the Management of Companies In Which Clients Invest
- Over-the-Counter Derivatives Markets
- Portfolio Valuation
- Possible Positive Correlation with Stocks and Bonds
- Proprietary Investment Strategies
- Proxy Contest and Unfriendly Transactions
- Quantitative Model Risk
- Re-Allocation of Investments
- Reliance on Corporate Management and Financial Reporting
- Restrictions Related to the Receipt of and/or Use of Confidential Information
- Risk Management
- Securities Lending
- Short Selling
- Significant Positions
- Strategy Specific / Investment Type Risks
- Systemic Risk
- Trade Execution Risk
- Trade Error Risk
- Trading Vehicles (defined herein)
- Turnover
- Uncertain Exit Strategies
- Use of Alternative Data
- Use of Artificial Intelligence
- Use of Leverage
- Use of Swap Agreements

Structural Risks and Risks Generally Associated with Magnetar and the Operation of the Clients include, without limitation:

- Absence of Regulatory Oversight
- Accounting for Uncertainty in Income Taxes
- Borrowing by the Clients
- Capacity Constraints
- Co-Investments
- Compulsory Redemptions
- Contagion Risk
- Dependence on Magnetar
- Dilution from Subsequent Closings
- Electronic Delivery of Information
- Employee and Service Provider Misconduct
- Gates, Suspensions and Redemption Fees
- Incentive Fees and Allocations
- Increased Regulatory Oversight
- Information Technology Systems
- Investors Admitted on Subsequent Closing Dates
- Investor Concentration Risk
- Joint Ventures/Joint Venture Managers; Other Manager Funds
- Limited Liquidity; Liquidity and Information Rights
- Limited or Lack Operating History of the Clients
- Limited Transfer Rights
- Liquidity Mismatch
- Management Fees Not Set By “Arm’s Length” Negotiations
- No Decision Making Authority
- No Independent General Partner / Other Activities of Directors (as applicable)
- No Separate Counsel for Client investors
- Other Clients Implementing a Fund’s Investment Strategies
- Other Activities of Magnetar
- Outsourcing
- Placement Agent Compensation
- Political Uncertainty
- Portfolio Concentration
- Possibility of Qualified Opinion
- Possible Adverse Tax Consequences
- Potential Additional Government and Regulatory Oversight
- Redemptions in Kind; Liquidating SPVs
- Reliance on Estimates
- Retention and Motivation of Key Employees
- Risk of Litigation
- Risk of Theft or Fraud by Joint Venture Managers and Other Managers

- Side Letters
- Substantial Client , Allocation and Expenses
- Substantial Redemptions
- Systems, Operational and Cybersecurity Risk
- Tax Audits
- Valuation Risk; Use of Estimates
- Withholding Taxes

Conflicts of Interest.

Magnetar and its principals, partners, and employees will confront various actual and potential conflicts of interest in the course of managing the Clients. Conflicts may arise with respect to, among other things, the allocation of costs and expenses between Magnetar and Clients, the valuation process, allocation of investment opportunities, management fees and/or incentive fees and allocations relating to different Clients, outside business activities (including, but not limited, to board memberships) and allocation of time, resources and duties of Magnetar principals, partners and employees, including, without limitation, in connection with sponsoring SPACs, selection of service providers and personal trading and private investments. Such conflicts of interest can have adverse consequences to the Clients. As part of Magnetar’s compliance program, Magnetar maintains policies and procedures designed to identify and manage these conflicts of interest. **Please see the discussion in Item 11 for additional information on certain conflicts of interest that exist in the structure and operations of Magnetar’s and the Clients’ business.**

COVID-19.

As a result of the COVID-19 global pandemic, Magnetar implemented a hybrid return-to-office (“RTO”) model whereby employees are able to work in-person in the office for a portion of the week and telework for the remainder of the week. As of the date of this Brochure, most employees, including the majority of key employees, continue to adhere to the RTO model and are coming into the office on a regular basis.

The foregoing risk factors are provided for illustrative purposes only and are not intended to be exhaustive. A detailed description of the risks associated with Magnetar’s investment program and strategies is included in the offering and/or governing documents for the various Clients, copies of which are provided to perspective investors and should be carefully reviewed prior to investing.

Item 9 - Disciplinary Information

Magnetar has not been involved in any legal or disciplinary events since its inception that it believes would be material to an investor’s evaluation of Magnetar or its personnel, nor have Magnetar’s employees been involved in any legal or disciplinary events in the past 10 years that it believes would be material to an investor’s or prospective investor’s evaluation of Magnetar or its employees.

Item 10 - Other Financial Industry Activities and Affiliations

Magnetar Financial (UK) LLP, a non-U.S. advisory affiliate of Magnetar Financial LLC, is registered with the Financial Conduct Authority in the United Kingdom and may share personnel with and provide certain services through, Magnetar Financial LLC. The personnel who provide advisory services on behalf of Magnetar Financial (UK) LLP are subject to Magnetar Financial LLC's policies and procedures and code of ethics. Magnetar Financial LLC may in some cases pay a portion of its management fee to its foreign affiliate, in consideration for advisory or other services provided by the affiliate. No Magnetar client incurs any additional fees as a result of such affiliate's services.

Magnetar Asset Management LLC is a Delaware limited liability company and it has been registered with the SEC as an investment adviser since January 2017. Magnetar Asset Management LLC sub-advises registered investment companies under the Investment Company Act of 1940, as amended. Magnetar Capital Partners LP is the sole member of Magnetar Asset Management LLC. The general partner of Magnetar Capital Partners LP is Supernova Management LLC. Supernova Management LLC is owned by David Snyderman, Ross Laser and Alec Litowitz. Effective October 24, 2022, David Snyderman was appointed Chief Executive Officer of Magnetar. The personnel who provide advisory services on behalf of Magnetar Asset Management LLC are subject to Magnetar Financial LLC's policies and procedures in addition to a supplemental manual for sub-advising registered investment companies.

Magnetar Financial LLC serves as the general partner of certain limited partnerships of which it also serves as investment adviser. Such an arrangement may create a conflict of interest.

Magnetar Financial LLC and Magnetar Asset Management LLC may at times take oppositional positions in certain investments pursuant to its investment mandates and/or pursue co-investment opportunities as permitted by applicable law. This may give rise to conflicts of interest. Magnetar has policies and procedures including review processes and allocation policies to manage such conflicts.

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

Code of Ethics.

Pursuant to the Adviser's Act, Magnetar has adopted a code of ethics (the "COE"), which includes, among other things, insider trading policies and procedures. Magnetar's COE requires, among other things, that Magnetar's personnel must not act or behave in any manner or engage in any activity that creates even the suspicion or appearance of the misuse of material, nonpublic information by Magnetar or any employee or gives rise to, or appears to give rise to, any breach of

fiduciary duty owed to any client or investor. In addition, the COE states that all employees are required to comply with applicable securities laws and regulations.

Magnetar's COE generally prohibits its employees from personal trading in certain securities, with exceptions in certain limited circumstances, with the consent of the Chief Compliance Officer or the General Counsel, where the purchase of securities will not disadvantage any Magnetar clients; for accounts in which an employee does not have investment discretion; and in some securities such as U.S. government securities, mutual funds and exchange-traded funds based on a broad stock market index. Under Magnetar's COE employees must report personal securities transactions on at least a quarterly basis and provide Magnetar with a detailed summary of holdings over which the employees have a direct or indirect beneficial interest.

In addition to personal trading requirements, the COE includes (among other things):

- Requirements Related to Confidentiality
- Limitations, and Reporting of, Gifts and Entertainment
- Pre-Clearance of Political Contributions
- Pre-Clearance of Outside Business Activities

A copy of Magnetar's COE is provided to any investor or prospective investor, upon request.

Confidential Information.

In the course of providing investment advisory services, Magnetar may come into possession of material, nonpublic and other confidential information which may limit Magnetar's ability to direct the purchase or sale of certain investments. For example, Magnetar may enter into a confidentiality agreement, or an employee of Magnetar may serve as a director of a creditor committee with respect to companies whose securities may be purchased or sold on behalf of the Clients. At times Magnetar, in an effort to avoid investment restrictions with respect to the Clients, may elect not to receive information that is available to other market participants or counterparties. If a Magnetar employee obtains material non-public information with respect to any company, Magnetar may be prohibited for a period of time from engaging in transactions on behalf of some or all its Clients with respect to the securities of such company, which may have an adverse effect on such Clients. While Magnetar has designed and implemented policies and procedures reasonably designed to limit those situations, and to prevent the misuse of material, non-public information, there can be no guarantee that such policies and procedures will be successful or that investment restrictions will not occur.

Securities in Which Magnetar has a Material Interest.

Magnetar may cause a Client to engage in "principal transactions" (including swaps), which are trades in which a Client buys securities for its own account from, or sells securities for its own

account to, Magnetar or any affiliate of Magnetar. However, Magnetar will not cause a Client to engage in a principal transactions without approval by either the Client's investors, the Client's advisory committee or its equivalent, or, if no such committee exists, an independent professional acting as representative of the investors in the Client.

Magnetar may invest the Client's assets in investment funds or other entities in which Magnetar or any of its affiliates (including Magnetar Investors) is, or holds a financial interest in, the general partner, manager, investment manager or other controlling entity. These investments may provide the investment assets necessary for the affiliated investment managers or general partners to start or continue their operations, thus making the investment funds or other entities managed by such affiliated investment managers available as potential investments for the Clients. Magnetar or its affiliates who have interests in any such affiliated investment manager share in the fees earned by them. However, any such fees (net of allocable expenses) associated with a Client's investment into investment funds or other entities managed by these affiliated investment managers, to the extent allocable to Magnetar or its affiliates, will generally be waived or rebated to the Client in question at either the Client level or the other entity level.

When a Client invests in a fund or other entities for which Magnetar acts as the general partner, manager, investment manager, or other controlling entity, fees associated with such investments will generally be waived or rebated to the Client at either the Client level or the other entity level to prevent a layering of fees. For some Clients, some layering of fees will be contemplated at the time of the Clients' inception and described in the Clients' offering and/or governing documents, and for these Clients, there will not be a full waiver or rebate of fees. In addition, even where a fee waiver or rebate is applicable, the investment of a Client's capital may enable Magnetar to invest or contract with a new affiliated investment manager who might, in the absence of a Client's capital investment, not be willing to accept such investment or enter into such contract. Further, a Client's investment may make the affiliated investment manager more attractive to other investors and thus increase the capital invested with such affiliated investment manager's funds or other entities, which would thus increase the fees earned by Magnetar or its affiliates.

Finally, Magnetar's dealings with the affiliated investment managers in connection with, for example, capital investment decisions, redemption decisions and fee negotiations, will not be conducted at arm's length.

Allocating Investment Opportunities; Investing in the Same Securities.

Magnetar's Clients may have similar investment objectives, and some investments may be appropriate for more than one Client. Magnetar generally intends to allocate investment opportunities that may be appropriate for Client accounts in a manner that is fair and equitable to all Clients over time taking into account the different investment mandates and investment

strategies applicable to such Clients, current investment positions of a Client, the relative capitalization and cash availability of a Client, investment time horizon, leverage ratios and other considerations. Additional criteria that may affect allocation policy are available capital ramping, liquidity, tax, and risk profile. Investment decisions for Clients will be made with a view to achieving their respective investment objectives after consideration of the abovementioned factors. In some cases, a particular investment may be bought or sold for one or more but fewer than all Clients, or may be bought or sold in different amounts and at different times for only some of Magnetar's Clients.

Consistent with its allocation policy, Magnetar may determine that an investment opportunity should be allocated to some but not all of the Client that it manages. Decisions as to whether and how to allocate investment opportunities involve numerous factors, some of which are subjective. Accordingly, situations may arise in which certain Clients managed by Magnetar participate in investment opportunities that, for various reasons, were not pursued by, or available to, other Clients. These reasons can include, for example, in addition to those set forth above, whether a Client's investment strategy specifically targets investment in such assets (and in certain cases may receive priority over other Clients that may invest only on an opportunistic basis), the investment time horizon, leverage ratios and other considerations determined by Magnetar in its discretion. Allocation determinations can be especially impactful for certain types of investment opportunities that may be inherently limited in nature, including allocations of thinly traded securities, privately offered securities, initial public offerings, secondary offerings, private investments in public equity ("PIPEs"), and securities related to SPACs. For example, SPAC securities are allocated in a manner such that Clients that identify the trading of SPAC securities as a specific investment strategy in their governing documents will have priority to invest in SPAC securities up to their target allocations. However, other Clients whose governing documents permit investing in SPAC securities but do not identify the trading of SPAC securities as a specific investment strategy, will be limited to opportunistic allocations made after those with target allocations have received these securities (and thus may not receive any allocation).

Magnetar, its affiliates, or employees of either Magnetar or its affiliates may trade in the same securities traded by Magnetar's Clients, which may create certain conflicts of interest. Magnetar has imposed restrictions on all Magnetar personnel with respect to transactions for their own accounts and has policies and procedures designed to prevent such personnel who have information regarding Magnetar's transactions or proposed transactions on behalf of Clients from trading for their own accounts on the basis of such information.

Clients Transacting in the Same Securities.

A particular investment may be bought for one or more Clients when one or more other Clients are selling the investment. In this case, upon the approval of Magnetar's Chief Compliance Officer or

another compliance officer, Magnetar may cause the respective Clients to enter into “cross trades,” which are the purchase of securities from, or the sale of securities to, one Client to another Client managed by Magnetar, when Magnetar believes such transactions are appropriate and in the best interests of the Clients. In the event Magnetar wishes to reduce the investment of one or more of such Clients in a security and increase the investment of one or more other Clients in such security, it may effect such transactions by directing the transfer of the securities between Clients. Any incremental costs and expenses associated with any such purchase or sale will be borne by all such Clients on a pro rata basis.

Purchases or sales of the same investment may be made for two or more Clients on the same date. In this event, these transactions will be allocated among Clients in a manner deemed by Magnetar to be fair and equitable to each Client over time. Magnetar has established policies and procedures, and has implemented allocation methodologies within its order management systems, designed to assist in such allocations and assure their fairness, including the monitoring of such transactions by the Chief Compliance Officer or another compliance officer.

If Magnetar decides to purchase or sell the same securities for several Clients at approximately the same time, Magnetar may, to the extent permitted by applicable law, but is not obligated to, combine or bunch such orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among Clients of Magnetar and its affiliates differences in prices and commissions or other transaction costs that might have been obtained had these orders been placed separately. Under this procedure, transactions would be averaged as to price and transaction costs and would be allocated among Magnetar’s Clients (which may include persons associated with Magnetar and Clients in which persons associated with Magnetar have invested) in proportion to the purchase and sale orders placed for each client account on any given day. This aggregation of orders would be expected, on average, to slightly reduce the costs of execution. In general, Magnetar will not aggregate orders if, in a particular instance, Magnetar believes that aggregation would cause a Client's costs of execution to increase. If an order cannot be fully executed under prevailing market conditions, Magnetar may allocate the securities traded among different Clients on a basis which Magnetar considers equitable. Situations may occur in which Clients could be disadvantaged because of the investment activities conducted by Magnetar for other accounts managed by Magnetar.

Co-Investments.

Magnetar may, from time to time, make certain “co-investment” opportunities available to the underlying investors of the Clients that it manages, including proprietary accounts held by Magnetar and its affiliates and third parties, and has adopted a co-investment policy in connection therewith. Magnetar’s co-investment policy includes a “waterfall” of allocations which include allocations to a party which may add strategic value, certain existing investors in Clients that participated in the

relevant trade per Magnetar's general trade allocation procedures (which determination shall be based on factors in Magnetar's discretion which may include whether such Client's primary portfolio manager/team sourced the co-investment, assets under management with Magnetar and the ability to participate on a timely basis and on an "as is" basis). In order to align interests between investors and Magnetar, Magnetar's principals, employees and consultants and affiliates receive the opportunity to take an allocation of each co-investment opportunity (which allocation may be increased if investors do not participate or take less than the amount offered). Magnetar will be subject to a conflict of interest in making investment allocation decisions and determining that the size of a particular investment opportunity exceeds the aggregate desired allocation of existing Clients, particularly in light of potential allocations to proprietary accounts held by Magnetar, its affiliates and their respective principals and employees.

While the Magnetar expects that participation by such proprietary accounts in co-investments will be on the same terms as investors in the Clients (other than with respect to any compensation payable to the Magnetar and its affiliates), Magnetar has a conflict of interest in determining the co-investment terms (including timing of purchases and sales) applicable to these entities and the terms applicable to existing Clients and co-investors. Magnetar also has substantial discretion in allocating co-investment opportunities among investors in Clients and third parties. Given such discretion, many investors may not have an opportunity to participate in co-investments. Magnetar and its affiliates may receive fees, remuneration, or other benefits in respect of co-investment opportunities, and are not required to account to the Clients with respect to such benefits. Co-investors may also have greater access to information pertaining to the co-investment than other investors in the Clients. In addition, it is possible that a co-investor may be able to sell some or all of its interest in a co-investment while the Clients retain (or are required to retain) its interest, such that the Clients remain at risk to the future performance of the co-investment while the co-investor has already liquidated its position.

Investments by Magnetar Investors.

Qualified principals, partners and employees of Magnetar may invest their personal capital in the Funds. Magnetar believes that this alignment of financial interest with our investors minimizes certain conflicts of interest that may arise. Magnetar's principals, partners and employees and any of their respective estate planning vehicles are, however, privy to more up-to-date information than are other investors. Also, as described in Item 5, in general, Magnetar do not pay management fees and are not subject to incentive fees and allocations. In addition, potential conflicts may arise due to the fact that Magnetar personnel have investments in some Funds but not in others or may have different levels of investments in the various Funds. In order to mitigate this risk and conflict, Magnetar has implemented procedures designed to seek fair and equitable treatment for all Funds and to prevent conflicts from influencing the allocation of investment opportunities among the Funds.

Affiliated Investment Managers.

The Investment Manager may also invest a Client's assets in investment funds, entities or other investments for which the Investment Manager or one of its affiliates (including proprietary accounts set up for the Investment Manager's principals, partners, and employees) serves as, or holds a financial interest in, the general partner, manager, investment manager or other similar entity.

The Investment Manager or its affiliates will share in the fees earned by affiliated investment managers in which they invest, or, where the Investment Manager or an affiliate is itself the affiliated investment manager, directly receive fees. However, any net income associated with the Clients' investment into investment funds managed by affiliated investment managers and allocable to the Investment Manager or its affiliates (including for the avoidance of doubt any management fees or similar compensation and any incentive allocation, carried interest or other performance fees or similar compensation) will be rebated to the Clients at either the Client level or the other entity level.

Further, the Clients' investment may make the affiliated investment manager more attractive to other investors and thus increase the capital invested with such affiliated investment manager's funds (and thus the fees earned by the Investment Manager or its affiliates).

Other Fiduciary Duties.

As part of managing the Clients' portfolios, Magnetar may try to secure the appointment of certain persons to the management or board of directors of a portfolio company, including with respect to SPACs. In so doing, Magnetar is likely to acquire fiduciary duties to the portfolio company and to the portfolio company's other shareholders. These fiduciary duties may compel Magnetar to take actions that, while in the best interests of the portfolio company and/or its shareholders, may not be in the best interests of the Clients or the investors of the Clients. Accordingly, Magnetar may have a conflict of interest between the fiduciary duties (if any) that it owes to such company and its shareholders, on the one hand, and those that it owes to the Clients or the investors of the Clients, on the other hand.

Employees of the Investment Manager who serve on boards of directors or advisory committees or in other management capacities at companies in which a Client invests, either directly or indirectly, may expose such employees, and by association the Investment Manager and the Client, to certain limitations on the ability to trade the securities of the issuer company and certain conflicts of interest.

Allocations to Joint Ventures.

If the Investment Manager allocates Client assets to joint ventures, the Investment Manager may not have to bear the costs it would normally incur if it were to hire a trader or engage in trading directly, yet it will still earn its full fees on the allocated assets. Thus, the Investment Manager has a conflict of interest in determining whether to hire a trader as an employee or allocate assets to a joint venture manager.

Trade Errors.

Although Magnetar has procedures designed to minimize mistakes made in executing trades, trade errors may occasionally occur. Generally, Magnetar will seek reimbursement from broker-dealers for trade errors caused by the broker-dealers. However, Magnetar will not request or accept reimbursement from broker-dealers for losses resulting from trade errors caused by Magnetar.

Magnetar attempts to minimize trade errors by promptly reconciling its daily prime broker reports with trades as recorded in its portfolio accounting system and its trade blotters. Magnetar also reviews past trade errors to assess whether a trade error was a result of a weakness in internal controls. If it is determined that a weakness in internal controls caused or contributed to the error, mitigating controls are established to rectify the identified control weakness.

Trading errors are corrected so that the Clients will to the extent reasonably practicable be put in the substantially the same economic position as if the erroneous trade had not occurred. With respect to any trading error caused by Magnetar, all risk associated with such error shall be for the account of Magnetar. That is, any trading error-related losses are borne, and gains received, by Magnetar, except where such error is caused by a third party such as a broker-dealer or another market participant, in which case the loss may be borne by that third party.

Employee Costs.

Certain Funds, as described in their respective governing documents, shall bear their allocable share of the Investment Manager's Employee Costs relating to non-trading internal personnel performing (i) legal activities related to the acquisition, monitoring or divestiture of the investments of a Fund and the Master Fund (if applicable and without duplication) and (ii) certain back-office and middle-office administrative activities (including but not limited to administration and support personnel focusing on regulatory compliance, legal, accounting, valuation, tax, investor relations, information technology and human resources) on behalf of such Fund. The Fund shall bear its share of Employee Costs of the foregoing employees even where a portion of their time is spent on matters unrelated to their main job functions. The Investment Manager shall have complete discretion to structure the terms of its personnel's compensation as it determines appropriate, which may include different calculations or compensation amounts.

In calculating the Employee Costs allocable to a Fund, the Investment Manager will have to determine, among other things, (i) whether an employee's function is properly categorized as legal, back-office or middle-office activity, (ii) whether an expense relating to such employee is properly categorized as an Employee Cost and (iii) whether all or a portion of such employee's functions are performed on behalf of the Fund. The Investment Manager is biased in making such determinations since the Investment Manager directly benefits from not bearing Employee Costs allocable to a Fund.

Employee Costs include the compensation of Investment Manager personnel who are involved in the determination of Employee Costs, which represents an inherent conflict of interest.

Although the Investment Manager believes that the terms on which it provides services to a Fund are fair, the arrangements among the Investment Manager and a Fund involves inherent conflicts of interest. The Investment Manager uses Employee Costs charged to a Fund to improve various aspects of its business, including for purposes of developing its technology, data processing capabilities, investment models, information systems, risk management systems, and operations, as well as enhancing its recruitment and retention of personnel. Although such expenditures will be made in connection with the furtherance of a Fund's investment objectives, such enhancements will also benefit the Investment Manager in respect of aspects of its business other than its management of such Fund. Investors may not participate in or benefit from such other aspects of the Investment Manager's businesses.

Employee Costs are paid to the Investment Manager without regard to overall performance of the Fund. Thus, Investment Manager employees will receive compensation while the Fund does not recognize any profits or may recognize losses.

The Investment Manager's policies do not prohibit the hiring of employees or retaining service providers who have familial relationships with current Investment Manager employees. The Investment Manager may hire persons who are related to other employees. In making personnel decisions relating to such hires, the Investment Manager will be faced with conflicts of interest in terms of the hiring decision, ongoing supervision and determining such employees' compensation, certain of which is ultimately borne by the Fund as an Employee Cost.

The Investment Manager and its personnel can be expected to receive certain personal benefits and/or "perks" arising or resulting from their activities on behalf of the Fund that will not otherwise be shared with the Fund or its investors. For example, airline travel or hotel stays paid by the Fund typically result in certain benefits such as cash rebates, "miles," or credit card "points" under credit card loyalty/status programs. Such benefits and/or amounts will, whether or not de minimis or difficult to value, inure exclusively to the Investment Manager's personnel (and not to the Fund or its investors) even though the Fund will be bearing the underlying expenditures.

The Investment Manager has conflicts of interest in determining the timing of charging Employee Costs, including whether to cause the Fund to pay the Investment Manager for estimated Employee Costs before the Investment Manager has paid such Employee Costs, and the amount charged to the Fund by the Investment Manager. If the Investment Manager anticipates causing the Fund to pay the Investment Manager for estimated Employee Costs prior to the Investment Manager's paying such Employee Costs, the Investment Manager generally will pay such expenses promptly when due.

The Investment Manager will be required to choose between itself and a Fund in allocating expenses and liabilities. In the future, Employee Costs may also be shared among multiple Clients of the Investment Manager. The Investment Manager will track Employee Costs to be allocated. The allocation of Employee Costs among itself and client accounts will involve the subjective judgment of the Investment Manager in determining whether and to what extent a Fund and/or other clients benefit from certain Employee Costs. The Investment Manager will face conflicts of interest in making such allocation decisions (due to paying such expenses directly or receiving reimbursement, due to internal investment in a particular account, differing performance compensation rates between accounts, differing expense structures between accounts or other reasons) and there may be alternative allocations that would also be reasonable.

Allocations of Employee Costs will be based upon assumptions and estimates made by the Investment Manager, which may result in differing allocations of Employee Costs than would be the case if exact figures were employed. While the Investment Manager will allocate such expenses in good faith in accordance with its expense allocation policies and procedures, there can be no assurance that any Employee Cost will be allocated in a particular manner. It is anticipated that a Fund that bear Employee Costs will pay a higher proportion of the Employee Costs compared to other Clients that pay a flat management fee.

Item 12 - Brokerage Practices

Magnetar is authorized, without limitation, to determine the broker or dealer to be used to execute each securities transaction for the Clients. In placing orders, it is Magnetar's policy to obtain the best execution at commission rates that are reasonable for its transactions considering the services received.

In connection with its determination of whether "best execution" is being obtained, in addition to net price, Magnetar considers the full range and quality of services provided by, and the characteristics of, each broker or dealer. These services and characteristics may include, but are not limited to, the following in no particular order:

- Commission rates charged by the broker or dealer and the ability to minimize overall execution costs to the Client;
- Possible adverse market impact of the order and Magnetar's view as to which broker or dealer is best able to handle the order with a minimum of adverse market impact;
- Execution capability and expertise in the specific securities or sectors in which Magnetar seeks to trade;
- Responsiveness;
- Reputation for diligence, fairness, and integrity;
- Quality of research and investment ideas presented to Magnetar by the broker or dealer;
- Adequacy of trading infrastructure, technology and capital (financial responsibility); and
- Ability to accommodate any special execution or order handling requirements that may apply to the particular transaction.

The applicability of specific criteria will vary depending upon the nature of the transaction, the market in which it is effected, and the extent to which it is possible to select from among multiple brokers or dealers capable of effecting the transaction.

In selecting brokers or dealers to execute transactions, Magnetar does not have an obligation to seek the lowest available transaction cost, but rather may consider all relevant factors, including those specifically addressed above, in selecting a broker or dealer and agreeing to a particular commission rate. In that regard, generally, Magnetar endeavors to negotiate the lowest "execution only" transaction cost in the context, and then negotiates an overall commission rate based upon a consideration of the services and characteristics listed above and the research and related services described below.

Where best execution may be obtained from more than one broker or dealer, Magnetar and its affiliates may purchase and sell securities through brokers or dealers who provide research, statistical and other information, although the Clients may not necessarily, in any particular instance, be the direct or indirect beneficiaries of the research services provided. Research and related services, as defined by Section 28(e) of the U.S. Securities Exchange Act of 1934, as amended, are furnished by the broker or dealer providing execution services or by third parties and paid for by brokers or dealers and may include, but are not limited to:

- written information and analyses concerning specific securities, companies or sectors;

- market, financial and economic studies and forecasts;
- financial and trade publications;
- statistical and pricing services;
- discussions with research personnel and consultants; and
- software, databases and other technological and technical services utilized in the investment management process.

Magnetar generally intends to accept research and related services falling within the safe harbor for fiduciaries' use of commissions arising from Clients' portfolio transactions established by Section 28(e), although Magnetar may make use of certain research and related services that fall outside the safe harbor where this is not otherwise prohibited under the Employee Retirement Income Security Act of 1974, as amended, commonly known as "ERISA." If services obtained by the use of commissions arising from investment transactions managed by Magnetar fall outside the safe harbor, they will be limited to services that would otherwise be a direct or indirect expense of the Clients. Credits generated by Magnetar's trading on behalf of the Clients may be used to pay for research provided to an affiliated advisor providing services to or for the benefit of the Clients, or vice versa, or Magnetar and affiliated advisors may transfer or exchange "soft dollar" credits between and among themselves. These arrangements will only be employed where Magnetar and the affiliate accrue "soft dollar" credits by serving the same accounts.

It should be noted that when Magnetar uses Client brokerage commissions to obtain research and related services, Magnetar receives a benefit because it does not need to produce or pay for the research, products or services. In addition, Magnetar may have an incentive to select or recommend a broker or dealer based on its interest in receiving the research or other products and services, rather than on its Clients' interest in receiving best execution.

Brokers may refer investors to Magnetar, and Magnetar may accept investor referrals from brokers in appropriate circumstances. It should be noted that in these situations Magnetar receives a benefit because it will receive additional compensation if the Funds accept new investments.

Magnetar utilizes multiple prime brokers. Magnetar reserves the right, in its sole discretion, to change or add prime brokers and/or custodians without prior notice to the investors in the Funds.

Item 13 - Review of Accounts

On a daily basis, accounts managed by Magnetar are reviewed by Magnetar's operations staff under the supervision of Magnetar's Head of Operations to ensure that transactions are allocated properly to the respective accounts. For the Funds, the outside administrator for the Fund participates in this review.

On a daily basis, compliance staff, under the supervision of the Chief Compliance Officer, reviews certain transactions executed and posted to accounts managed by Magnetar, including Fund accounts, in various daily reports to ensure that the transactions meet the investment criteria for the accounts and comply with Magnetar policy. In the case of a Fund, the investment criteria used to conduct the review is set forth in the Fund's offering document.

Accounts managed by Magnetar are reviewed periodically by business unit controllers, under the supervision of the Chief Financial Officer or her designee and indirectly by the Compliance Department, to ensure that the portfolio meets the investment criteria set forth in a Client's offering and/or governing documents and complies with Magnetar policy.

On a periodic basis, Magnetar's Investment Committee, Valuation Committee and Best Execution Committee each participate in reviewing transactions and positions in Client accounts to ensure that:

- the transactions meet the investment criteria for the account and comply with Magnetar policy;
- the portfolio meets the investment criteria set forth in a Fund's offering memorandum or the investment management agreements for the respective separately managed accounts, as applicable; and
- in general, the portfolio complies with Magnetar policies regarding valuation and best execution.

Magnetar or its administrator provides each investor in each Fund with periodic reports in accordance with the terms of the relevant offering and/or governing documents. These reports generally include a monthly report summarizing Fund performance and, to the extent the information is reasonably available, the net asset value of an investor's shares and/or capital account; detailed annual audited financial statements; and necessary tax information, if applicable.

Item 14 - Client Referrals and Other Compensation

From time to time, Magnetar may engage and compensate unaffiliated persons or entities for referring clients who open separately managed accounts. Magnetar also has engaged and

compensate unaffiliated entities for acting as selling agents for applicable interests in several of its External Funds, and such arrangements are described in the Funds' offering memoranda. The amount of compensation paid for referrals may vary widely, and will be disclosed to the extent required.

Item 15 - Custody

Where Magnetar has custody over assets in SMAs, Magnetar requests that the qualified custodian that holds and maintains the client's investment assets send account statements to the client at least quarterly. Magnetar urges investors to carefully review these statements and compare them to the account statements that Magnetar may provide.

Investors in the Funds do not receive statements from the qualified custodian. Instead, Magnetar relies on an exception from the requirement that custodian statements be sent where the Funds are subject to an annual audit and the audited financial statements are distributed to each investor within 120 days of the fiscal year end for the Fund in question.

Item 16 -Investment Discretion

Magnetar receives discretionary authority from the Clients at the outset of an advisory relationship to select the identity and amount of securities and other assets to be bought or sold. An investment management agreement is executed between Magnetar and its Client to document that the Client has given Magnetar discretionary authority, and to outline the Client's stated investment objectives, limitations and restrictions.

Item 17 - Voting Client Securities

Magnetar will vote proxies prudently and solely in the economic interests of, and for the exclusive purpose of providing economic benefits to, clients. Social, political, or other objectives unrelated to the value of clients' investments will not be considered. Magnetar has appointed a Proxy Voting Coordinator with responsibility for, among other things, collecting proxy materials and providing them to appropriate Magnetar personnel, transmitting votes and maintaining records with respect to Magnetar's proxy voting. Magnetar may engage service providers to perform administrative functions in connection with voting of proxies. The Magnetar portfolio manager responsible for management of a specific account is responsible for timely voting, or determining not to vote in appropriate cases, proxies relating to securities in the account in accordance with Magnetar's proxy voting policy. Magnetar may engage in "security lending" programs on behalf of the Funds, and will generally refrain from retrieving loaned-out securities for voting purposes. Magnetar may be unable to retrieve loaned securities for voting purposes even where it decides that voting loaned securities is desirable.

In furtherance of Magnetar's goal of voting proxies in the best interests of Clients, Magnetar monitors the potential for conflicts of interest with respect to voting proxies on behalf of client accounts both as a result of personal relationships, significant client relationships, or special circumstances that may arise during the conduct of Magnetar's business. If a proxy relates to an issuer with respect to which Magnetar has a conflict of interest, it will not vote the proxy on behalf of client accounts until it has been determined that the conflict of interest is not material or a method for resolving the conflict of interest has been agreed upon and implemented. Methods that may be used to resolve material conflicts include:

- disclosing the conflict to clients and obtaining their consent before voting;
- suggesting to clients that they engage another party to vote the proxy on their behalf; and
- engaging a third party to recommend a vote with respect to the proxy based on application of the principles set forth in Magnetar's proxy voting policy.

Magnetar will maintain a written record of the method used to resolve a material conflict of interest. Investment adviser clients of Magnetar, or investors in the Clients, may request a copy of Magnetar's proxy voting policy, as well as relevant proxy voting records, by making a written request to:

Investor Relations c/o
"Proxy Voting"
Magnetar Financial LLC
1603 Orrington Avenue, 13th Floor
Evanston, Illinois 60201

Item 18 - Financial Information

Not applicable.