

Capula Investment US LP

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Brochure

March 29, 2024

This Brochure provides information about the qualifications and business practices of Capula Investment US LP (the "Firm"). If you have any questions about the contents of this Brochure, please contact us at +1 (646) 874-5400 or email iabramov@capulaglobal.com.

The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the "SEC") or by any state securities authority.

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

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

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Item 2: Material Changes

This item discusses only material changes since the last annual update of the Firm's Brochure filed on March 31, 2023. Item 8 was updated to add or update certain material risk disclosures. Item 15 was updated to reflect certain changes to the list of prime brokers and custodians of the Firm's clients.

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

Item 3: Table of Contents

Item 2: Material Changes	2
Item 3: Table of Contents	3
Item 4: Advisory Business	4
Item 5: Fees and Compensation.....	7
Item 6: Performance-Based Fees.....	9
Item 7: Types of Clients	10
Item 8: Methods of Analysis, Investment Strategies and Risk of Loss	12
Item 9: Disciplinary Information.....	37
Item 10: Other Financial Industry Activities and Affiliations.....	38
Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	40
Item 12: Brokerage Practices	41
Item 13: Review of Accounts	44
Item 14: Client Referrals and `Other Compensation.....	45
Item 15: Custody	46
Item 16: Investment Discretion.....	48
Item 17: Voting Client Securities.....	49
Item 18: Financial Information	50

Item 4: Advisory Business

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

Rania Perry supervises the Firm's principal office in New York, NY and the Firm's branch office in Miami, FL, and is supported by trading, strategy, risk, compliance, finance, technology, human resources and operations teams. The Firm currently provides discretionary investment advisory services for the Capula group in the United States in respect of a portion of the assets (the "GRV Account") of Capula Global Relative Value Master Fund Limited (the "GRV Master Fund"), a portion of the assets (the "TRF Account") of Capula Tail Risk Master Fund Limited ("TR Master Fund"), a portion of the assets (the "EFI Account") of Capula Enhanced Fixed Income Master Fund Limited (the "EFI Master Fund"), a portion of the assets (the "VOL Account") of Capula Volatility Opportunities Master Fund Limited (the "VOL Master Fund"), a portion of the assets (the "TMA Account") of Capula Tactical Macro Master Fund Limited ("TMA Master Fund"), a portion of the assets (the "MS Account") of Capula Multi Strategy Master Fund Limited ("MS Master Fund"), a portion of the assets (the "HHS Account") of Capula Hybrid Hedge Strategy Master Fund Limited ("HHS Master Fund") and a portion of the assets ("Managed Account") of an unaffiliated non-US separately managed account client (the "SMA"). Also, the Firm has been appointed as a discretionary investment adviser in respect of a portion of the assets (the "TR III Account") of Capula TRF III LP (the "TRF III Feeder"), a Delaware limited partnership. Each of the TR Master Fund, the GRV Master Fund, VOL Master Fund, the TMA Master Fund, the HHS Master Fund, the MS Master Fund and the EFI Master Fund (each, a "Master Fund", and collectively, the "Master Funds") is an exempted company incorporated with limited liability in the Cayman Islands that operates as the master fund within a master-feeder structure. The Master Funds, the TRF III Feeder and the SMA (collectively, "Clients", and each, a "Client") are the Firm's only clients. The TR Account, the GRV Account, the EFI Account, the VOL Account, the TMA Account, the MSF Account, the HHS Account, the TR III Account and the Managed Account are referred to herein, each, as a "Client Account", and collectively, as the "Client Accounts". The GRV Master Fund and its feeder funds are collectively referred to herein as the "GRV Fund"; the TR Master Fund and its feeder funds are collectively referred to herein as the "TR Fund"; the VOL Master Fund and its feeder fund are collectively referred to herein as the "VOL Fund", the TMA Master Fund and its feeder funds are collectively referred to herein as the "TMA Fund"; the MSF Master Fund and its feeder funds are collectively referred to herein as the "MS Fund", the HHS Master Fund and its feeder funds are collectively referred to herein as the "HHS Fund" and the EFI Master Fund and its feeder fund are collectively referred to herein as the "EFI Fund". The GRV Fund, the TR Fund, the VOL Fund, the TMA Fund, the MS Fund, the HHS Fund and the EFI Fund are referred to herein, each, as a "Fund" and collectively, as the "Funds".

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

CML wholly owns CMUS. CML is controlled by Yan Huo. Yan Huo and 25 other current Capula group principals – one of whom acts as a director of the Firm's general partner, CMUS – own

74% of each of CML and CIM. Three external, strategic investors are invested, directly or indirectly, in both CML and CIM: Affiliated Managers Group, Inc., The Dai-ichi Life Insurance Company Limited and Tokai Tokyo Global Investments Pte Ltd. These external investors have passive investments in CML and CIM with no investment management rights and no board or management representation.

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

Types of Advisory Business

The Firm is a member of a group of affiliated entities that together comprise the Capula group, a global investment management organization. The Firm employs a combination of relative value, macro, tail risk and volatility strategies that primarily seek to benefit from pricing anomalies in the government bond, government bond futures, interest rate swap, currency, corporate bond, equity and major derivatives markets.

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

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

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

This Brochure generally includes information about the Firm and its relationships with its affiliates and its clients. While much of this Brochure applies to all of the Firm's affiliates and clients, certain information included herein applies to a specific client or affiliate only. This Brochure does not constitute an offer to sell or solicitation of an offer to buy any securities. The securities of the Funds are offered and sold on a private placement basis under exemptions promulgated under the Securities Act of 1933, as amended (the "Securities Act"), and other exemptions of similar import under US state laws and the laws of other jurisdictions where any offering may be made. The securities of the Funds are generally offered on a private placement

basis to (a) non-US Persons in accordance with Regulation S of the Securities Act, and subject to certain other conditions, which are fully set forth in the offering documents for the Fund and (b) on a private placement basis, pursuant to Section 3(c)(7) of the Investment Company Act of 1940, as amended (the "Investment Company Act"), to US Persons who are "accredited investors" as defined under the Securities Act and "qualified purchasers" as defined under the Investment Company Act, and subject to certain other conditions, which are set forth in the offering documents for the Funds. Persons reviewing this Brochure should not construe this as an offer to sell or solicitation of an offer to buy the securities of the Funds. Any such offer or solicitation will be made only by means of a confidential private placement memorandum.

Assets Under Management

As at December 31, 2023, the Firm managed on a discretionary basis \$101,117.59 million in client assets, which represents the sum of a portion of each Client's gross asset value attributable to the Firm. Margining, cash management and foreign exchange hedging for each Client is conducted with respect to the Client's entire portfolio and cannot be attributed to any particular segregated portion thereof, such as the Client Account. Accordingly, the value of the Firm's discretionary client assets noted above is calculated by first determining the value of each Client Account's gross assets ("Account GAV") and then adding up the Account GAVs for all Client Accounts of the Firm. The Account GAV for each Client Account is calculated by first determining the percentage of the relevant Client's total net assets that is managed by the Firm and then multiplying the Client's total gross assets by such percentage.

Item 5: Fees and Compensation

Management Fees and Pass-Through Expenses

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

The service fee is paid to the Firm as follows: (a) with respect to each Fund (except the MS Fund), (i) the Fund pays management fees and performance-based fees to CML, as the manager of such Fund (except that, in the case of one of the feeder funds of the GRV Master Fund (the "GRV LP Feeder") that is a Cayman limited partnership, and TRF III Feeder, such fees are paid to Capula General Partner Limited ("CGPL"), as the general partner of the GRV LP Feeder and TRF III Feeder, and CGPL passes the management and performance-based fees it receives from the GRV LP Feeder and the TRF III Feeder to CML), (ii) CML passes the management and performance-based fees it receives from the Funds and CGPL to CIM, and (iii) CIM then pays a portion of the management and performance-based fees received from CML to the Firm as service fees, (b) with respect to the MS Fund, (i) the MS Fund pays (x) performance-based fees to CML, as the manager of the MS Fund, and (y) pass-through expenses (the "PTE") incurred by CIM and/or its affiliates in respect of the feeder funds of the MS Master Fund, the MS Master Fund or the MS Master Fund's direct or indirect holdings in other Capula Funds (the "Strategy Funds") to CIM; (ii) CML passes performance-based fees it receives from the MS Fund to CIM; and (iii) CIM then pays a portion of the PTE received from the MS Fund and a portion of the performance-based fees received from CML to the Firm as service fees, and (c) with respect to the SMA, (i) the SMA pays management fees and performance-based fees to CIM, and (ii) CIM then pays a portion of the management and performance-based fees received from the SMA to the Firm as service fees. Investors in the Funds and the beneficial owner of the SMA are not separately charged for the service fees paid by CIM to the Firm.

Management fees paid by each Fund (the "Fund Management Fees") are based upon the NAV of the relevant class of the Fund during a specified calculation period, except that management fees paid by the HHS Fund are based on the Target Notional Exposure of the relevant series of the fund during a specified calculation period and, the MS Fund does not pay any management fees (though it does bear the PTE). Management fees paid by the SMA (the "SMA Management Fees") are based on the NAV of the SMA during a specified period. Service fees paid by CIM to the Firm are calculated in accordance with Capula group's transfer pricing policy, taking into consideration the average value of the Client Accounts managed by the Firm during a specified calculation period, the appreciation of the asset value of the Client Accounts during such calculation period and the Firm's operating expenses. As more fully described in the offering documents of the relevant Fund, Fund Management Fees are calculated and deducted automatically from the Fund's assets by the Fund's external administrator, and, as more fully described in the SMA IMA, SMA Management Fees are calculated by CIM, and reviewed and approved by the beneficial owner of the SMA. Upon such approval, the SMA Management Fees are paid from the SMA's assets by the SMA's external custodian.

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

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

The calculation and allocation of the PTE in respect of the MS Fund is determined by CIM's expense committee in accordance with CIM's accounting and other relevant policies. For the allocation of PTE to the relevant Funds, CIM reserves the right in its discretion, acting reasonably to apply an allocation methodology that it determines to be the most appropriate. CIM may change the methodology and/or to allocate certain expenses using a different methodology if deemed more appropriate to reflect the consumption of the Capula group resources by the relevant Funds. CIM may use a number of factors to determine the method of allocating PTE between the relevant Funds, including, but not limited to the management fee and NAV of the relevant Funds, allocated risk capital within a fund, and identifiable staff time allocations in support of a Fund. The PTE allocation process involves certain subjective determinations, which may involve conflicts of interest.

The PTE includes fixed and variable personnel compensation expenses and other general business expenses, including without limitation certain overhead costs, such as rent, utilities, equipment, data, professional expenses related to finance, payroll, tax and legal, and insurance costs. Details regarding the PTE are more fully described in the offering documents of the MS Fund. Any payments made by CML or CIM to the MS Fund or any Strategy Fund in relation to trade error reimbursement and any regulatory and/or exchange fines, penalties, adverse awards or judgments, damages or similar charges (including any related interest payments) imposed upon the Firm and its Advisory Affiliates (and any related investigation expenses) as well as any costs and expenses charged to and paid for by the Strategy Funds are excluded from the calculation of PTE. The MS Fund's actual annual operating expenses, including amounts constituting the PTE, are disclosed in its year-end audited financial statements, which will be provided to each Fund Investor in the MS Fund as further described in the offering documents of the MS Fund.

The amount of the PTE can be substantial both on an absolute basis and as a percentage of a Fund's net asset value and is not subject to any cap. The MS Fund's current and prospective investors should carefully consider the impact of the PTE. The MS Fund's current and prospective investors should note that this may be difficult to do as the PTE may fluctuate materially from year to year, and prior financial statements of the MS Fund, where available, may not be a useful guide in estimating the future financial impact of the PTE arrangement.

Other Fees and Expenses

In addition to the fees described in this Item and in Item 6, each Fund incurs additional expenses in connection with its operations. Such expenses include, but are not limited to, the costs and expenses of brokerage commissions and other transaction expenses (see also "Item 12: Brokerage Practices"), research expenses, and administrative expenses, including, but not limited to, legal fees, fees payable to the relevant Fund's administrator and legal, financial, tax and compliance advisers; costs and expenses related to the provision, development and support of certain electronic systems, software and/or data; the cost of insurance, including any fidelity bonds required by law; costs and expenses related to custodianship of the Fund's assets; and for one of the Funds, certain recruitment-related expenses. Further details of such fees, costs and expenses of the relevant Fund are set out in the Fund's offering documents.

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

The Firm does not act in any capacity as a broker-dealer, and accordingly, the Firm does not receive any compensation for acting as a broker-dealer. However, as described in Item 10, a private investment fund client of the Firm indirectly owns and controls, Montec Securities LLC ("Montec"), a SEC-registered broker-dealer and compensates the Firm for certain BD Support Expenses (as defined hereinafter) incurred in connection with the Administrative Support Services (as defined hereinafter) provided by the Firm to Montec. The Firm does not receive any other form of compensation from Montec.

Item 6: Performance-Based Fees

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

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

Capula group’s staff and certain related parties are not subject to the Fund Performance-Fees in connection with any investments they may have in the Fund’s management share classes. As more fully described in the offering documents of the relevant Fund, the Fund Performance Fees are non-negotiable and range, for the feeder funds investing in the GRV Master Fund and in the TRF Master Fund, from 0% to 25% per annum; for the feeder funds investing in the VOL Master Fund, from 0% to 15% per annum; and, for the feeder funds investing in the EFI Master Fund, in the MS Master Fund, in the HHS Master Fund and in the TMA Master Fund, from 0% to 20% per annum, in each case depending on the terms of a particular class of interests for which an investor subscribes, and certain classes are subject to high-water marks (*i.e.*, no performance fee becomes due unless the NAV exceeds the previous high point reached). The Fund Performance Fees are generally paid annually in arrears and are adjusted on a *pro rata* basis for partial calculation periods.

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

Conflicts of Interest

The existence and variation of performance-based fee structures within certain Client Accounts may create an incentive for the Firm to favor accounts for which it receives performance-based fees or to favor accounts from which the Firm will receive a performance-based fee calculated at a higher rate over accounts from which the Firm will receive a performance-based fee calculated at a lower rate. Furthermore, the Firm may have an incentive to make investments that are riskier or more speculative than would be the case in the absence of a performance-based compensation arrangement. Generally, the Firm addresses any potential conflicts of interest that arise in charging performance fees through the adoption of policies and procedures that are designed to mitigate such conflicts of interest and ensure the Firm’s compliance with applicable law. The Firm believes that any potential conflicts of interest are further mitigated because investment strategies for the Clients are developed and implemented by the Capula group investment committee without regard to fees or fee rates, and according to an investment allocation policy designed to treat all client accounts fairly and equitably (*please see “Allocation and Aggregation” under Item 12 of this Brochure*).

Item 7: Types of Clients

The Funds

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

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

Generally, the minimum subscription amounts for the GRV Fund vary from US\$5 million to US\$20 million (and the equivalent in other currencies), depending on the class selected by a Fund Investor, or such lesser amount as the directors of the GRV Fund may in any particular case determine. The minimum amount of subsequent subscriptions vary from US\$1 million to US\$5 million (and the equivalent in other currencies), depending on the class selected by a Fund Investor, or such lesser amount as the directors of the GRV Fund may in any particular case determine. Investors in the GRV Fund may subscribe on the first business day of each calendar month. Redemptions may generally be made on the first business day of each calendar quarter either upon at least 45 calendar days' notice or upon at least 90 calendar days' notice to the GRV Fund's external administrator, depending on the class of the GRV Fund interests being redeemed, as more fully described in the offering documents of the GRV Fund. Certain Fund Investors of the GRV Fund are subject to "lock-up" periods of up to 36 months following their initial subscription.

Generally, the minimum subscription amounts for the TR Fund vary from US\$1 million to US\$30 million (and the equivalent in other currencies), depending on the class selected by a Fund Investor, or such lesser amount as the directors of the TR Fund may in any particular case determine. The minimum amount of subsequent subscriptions varies from US\$1 million to US\$5 million (and the equivalent in other currencies), depending on the class selected by a Fund Investor, or such lesser amount as the directors of the TR Fund may in any particular case determine. Investors in the TR Fund may subscribe on the first, eighth, sixteenth and twenty-fourth day of each calendar month. Redemptions may generally be made on the first, eighth, sixteenth and twenty-fourth day of each calendar month upon at least 30 calendar days' notice to the TR Fund's external administrator, as more fully described in the offering documents of the TR Fund.

Generally, the minimum subscription amounts for the VOL Fund vary from US\$1 million to US\$100 million (and the equivalent in other currencies), depending on the class selected by a Fund Investor, or such lesser amount as the directors of the VOL Fund may in any particular case determine. The minimum amount of subsequent subscriptions is US\$1 million (and the equivalent in other currencies) or such lesser amount as the directors of the VOL Fund may in any particular case determine. Investors in the VOL Fund may subscribe on the first business day of each calendar month and on the first business day following the fifteenth calendar day of each calendar month. Redemptions may generally be made on the first business day of each calendar month and on the first business day following the fifteenth calendar day of each calendar month upon at least 10 business days' notice to the VOL Fund's external administrator, as more fully described in the offering documents of the VOL Fund.

Generally, the minimum subscription amount for the EFI Fund is US\$50 million (and the equivalent in other currencies) or such lesser amount as the directors of the EFI Fund may in any particular case determine. The minimum amount of subsequent subscriptions is US\$10 million (and the equivalent in other currencies) or such lesser amount as the directors of the EFI Fund may in any particular case determine. Investors may subscribe weekly. Redemptions may generally be made on the first business day of each week upon at least 5 business days' notice or upon 10 calendar days' notice to the EFI Fund's external administrator, depending on the class of the EFI Fund interests being redeemed, as more fully described in the offering documents of the EFI Fund.

Generally, the minimum subscription amount for the TMA Fund is US\$5 million (and the equivalent in other currencies) or such lesser amount as the directors of the TMA Fund may in any particular case determine. The minimum amount of subsequent subscriptions is US\$1 million (and the equivalent in other currencies) or such lesser amount as the directors of the TMA Fund may in any particular case determine. Investors may subscribe on the first business day of each calendar month. Redemptions may generally be made on the first business day of each month upon at least 45 business days' notice to the TMA Fund's external administrator, as more fully described in the offering documents of the TMA Fund.

Generally, the minimum subscription amounts for the MS Fund vary from US\$5 million to US\$150 million, depending on the class selected by a Fund Investor, or such lesser amount as the directors of the MS Fund may in any particular case determine. The minimum amount of subsequent subscriptions varies from US\$1 million to US\$5 million, depending on the class selected by a Fund Investor, or such lesser amount as the directors of the MS Fund may in any particular case determine. Investors may subscribe on the first business day of each calendar month. Redemptions may generally be made on the first business day of each calendar quarter upon at least 60 calendar days' notice to the MS Fund's external administrator, as more fully described in the offering documents of the TMA Fund.

Generally, the minimum subscription amount for the HHS Fund is US\$10 million (and the equivalent in other currencies) or such lesser amount as the directors of the HHS Fund may in any particular case determine. The minimum amount of subsequent subscriptions is US\$2 million (and the equivalent in other currencies) or such lesser amount as the directors of the HHS Fund may in any particular case determine. Investors may subscribe on the first, eighth, sixteenth and twenty-fourth day of each calendar month. Redemptions may generally be made on the first, eighth, sixteenth and twenty-fourth day of each calendar month upon at least 5 business days' notice to the HHS Fund's external administrator, as more fully described in the offering documents of the HHS Fund.

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

Methods of Analysis and Investment Strategies

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

The Firm is a member of a group of affiliated entities that together comprise the Capula group, a global investment management organization. The Firm employs a combination of relative value, macro, tail risk and volatility strategies that primarily seek to benefit from pricing anomalies in the government bond, government bond futures, interest rate swap, currency, corporate bond, equity and major derivatives markets.

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

The Firm's investment approach for certain Master Funds includes the use of significant leverage as appropriate given market liquidity conditions prevailing, which may include, without limitation, borrowing cash, securities and other instruments, and entering into derivative transactions and repurchase agreements. The Firm's investment approach for other Clients may also include the use of leverage. The Firm uses risk control techniques to seek to protect each Master Fund's capital. Capula group's preferred measure of leverage is the percentage of the Master Fund's NAV that is not posted as margin (which may include non-cash items and assets that are illiquid and which, in the case of the MS Master Fund, excludes the MS Master Fund's holdings in other funds managed by the CIM) ("Unencumbered Assets"). Capula group has an Unencumbered Assets target in place, which has the effect of limiting the amount of leverage that can be employed in each Master Fund. Capula group seeks to keep at least 50% of each Master Fund's capital as Unencumbered Assets. Additionally, margining terms (for futures and swaps) have been implemented in line with industry standards and include cross product netting agreements with multiple prime brokers and counterparties. As part of the daily

analysis of liquidity requirements for each Master Fund, Capula group prepares a stress analysis for potential increases in margin requirements across financing counterparties with oversight by the chief risk officer, which is used to determine the Master Fund's financing requirements and capacity and to make any necessary adjustment daily. In addition, Capula group's enterprise risk committee, chaired by the chief risk officer, reviews the Unencumbered Assets target for each Master Fund and monitors the counterparty risk with each of the Master Fund's brokers/counterparties. Any negotiated terms or counterparty agreements that are in the process of being agreed are also reviewed by the enterprise risk committee.

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

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

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

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

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

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

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

Allocation Risk

CIM has the discretion to invest all or part of the assets of the MS Master Fund in only one Strategy Fund, or a selected number of Strategy Funds. Similarly, CIM has the discretion to liquidate all or part of the MS Master Fund's investments in only one Strategy Fund, or a selected number of Strategy Funds.

Although the discretion of CIM to allocate the MS Master Fund's investments as aforementioned is subject to the investment objective and approach of the Fund and the Master Fund, there is no guarantee that the exercise of such discretion by CIM will not result in a loss to the Fund.

Availability of Investment Strategies

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

The relevant Master Fund may be adversely affected by unforeseen investment risks, the impact of which on the Investment Manager's ability to achieve the investment objective and/or on the net asset Value of the Master Fund and/or the relevant Fund is difficult to predict.

Benchmark Reform and the impact on LIBOR and other interest rate benchmarks

The London Interbank Offered Rate (known as "LIBOR") has historically been a major rate in global financial markets. A major transition from LIBOR to alternative near Risk-Free-Rates ("RFRs") is now almost complete. Similar reforms are taking place in the context of other interest rate benchmarks based on interbank lending (in addition to LIBOR, "IBORs").

In relation to LIBOR, from January 1, 2022, all Sterling, Euro, Swiss Franc and Japanese YEN LIBOR settings, and the 1-week and 2-month US Dollar LIBOR settings ceased to be available. The final five USD LIBOR settings (overnight, 1-, 3-, 6- and 12-month) ceased to be published from 1 July 2023.

The FCA has required LIBOR's administrator to continue the publication of the 1-, 3- and 6-month USD LIBOR settings using an unrepresentative synthetic methodology, for use in all legacy contracts except cleared derivatives, but has indicated that it intends to cease requiring that publication at the end of September 2024. Similarly, 3-month synthetic GBP LIBOR, which continues to be published on an unrepresentative basis, is expected to cease at end of March 2024, after which it will cease permanently.

It is not possible to predict with certainty the overall effect of IBOR reform, but the discontinuance of IBORs and the transition to RFRs continues to pose risks.

Where it is not possible to amend an existing IBOR exposure to the relevant RFR (a process known as 'remediation'), by the time the relevant rate ceases to be published, is declared unrepresentative or, where applicable, the synthetic IBOR is no longer published, that asset is unlikely to function or perform as originally intended, its price may be negatively impacted or value transferred, and it may become illiquid and hard to value.

It may not be possible to remediate certain assets from an IBOR to a new RFR, or to transition a hedge and its underlying position at the same time, causing a mismatch or 'basis risk'. Remediation is likely to be particularly difficult for assets issued to multiple investors or with high consent thresholds to amend the rate. Delays or failures in obtaining investor or counterparty consent, or regulatory approval, may adversely impact transition.

Remediation from an IBOR to RFRs may lead to the relevant Master Fund paying more or receiving less on an asset than if it had remained an IBOR-referencing asset. Spread adjustments applied to RFRs to reflect the historical difference in performance with an IBOR are rough proxies and will not perfectly match the performance of the relevant IBOR rate it replaces, meaning that some economic impact is inevitable.

Borrowing costs under financing arrangements could be impacted where RFRs or other interest rates are used (directly or indirectly) instead of an IBOR. Interest on instruments which reference an overnight RFR is only capable of being determined at the end of the relevant interest period and just prior to the relevant interest payment date. This may make it harder to reliably estimate the amount of interest that will be payable on such instrument.

Some of the RFRs are relatively new interest rate benchmarks compared to the historical IBOR and how these rates, and any adjustment spreads, will perform in stressed market conditions or over longer time periods is not well established. Industry and market solutions for transition from an IBOR to RFRs across different asset classes and currencies are not necessarily aligned.

If remediation alters the legal, commercial, tax, accounting or other economic outcome of the relevant trade(s), including as between a trade and its hedge, there is a risk of detriment to the relevant Master Fund and consequently to the respective Feeder Funds and their investors.

For new investments, including where an existing IBOR-referencing asset is sold and replaced with an RFR-referencing asset during transition, the market in the relevant RFR-referencing asset may lack liquidity and/or price transparency, particularly when compared with the historical IBOR volumes.

Borrowing

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

Brexit and the European Union

The United Kingdom is no longer a member state of the European Union. Despite the negotiation of the UK-EU Trade and Cooperation Agreement in December 2020, the future economic and political relationship between the United Kingdom and the European Union (and between the United Kingdom and other countries) remains uncertain in many respects, and a period of economic and political uncertainty may therefore continue in the United Kingdom and the European Union. The relevant regulatory authorities in the United Kingdom may in the future make changes to their rules which deviate from the standards applicable in the European Union. Such changes may be adverse to CIM's ability to operate effectively and/or to the relevant Fund and the relevant Master Fund. The on-going negotiations between the United Kingdom and the European Union in respect of their relationship may lead to unpredictable outcomes, such as market volatility or impacting on certain asset classes. Other member states of the European Union may also reconsider their European Union membership. This could result in one or more

other countries leaving the European Union, or in major reforms or other changes being made to the European Union or to the Eurozone.

The nature and extent of the impact of any such changes on the relevant Fund, the relevant Master Fund, the Firm and its Advisory Affiliates are uncertain, but may be significant.

Bullion Warrants

Certain Master Funds may utilize physically settled bullion derivatives traded on certain commodity exchanges. They may also enter into physically settled OTC bullion derivatives for the purpose of acquiring bullion to fulfil their delivery obligations under futures contracts. In either case, delivery is taken or made by the transfer of warrants maintained in systems managed by the relevant exchange. In the US, warrants are documents of title in electronic form and represent physical bullion, being directly linked to specific bullion bars deposited with depositaries.

There is a risk of interference with, or inaccurate recording in, the relevant exchange systems for recording warrants, potentially resulting in a loss to the relevant Master Fund. There is also a risk that some or all of the physical bullion represented by the Master Fund's warrants could be lost, damaged, stolen or seized by a governmental authority. Although the relevant exchange rules require its depositaries to have insurance against loss of bullion to be able to store the metal, that insurance coverage may not be adequate and the relevant Master Fund is not a beneficiary to such insurance.

As the bullion futures are exchange traded and cleared, clearing members must guarantee and assume complete responsibility for the performance of all delivery obligations to the clearing house on behalf of their customers. In contrast to the position for bullion futures, OTC Bullion forwards are bilateral contracts and do not benefit from guarantees from clearing houses or clearing members. However, the relevant Master Fund will require OTC counterparties to deliver bullion by transferring warrants that are issued by a depositary, approved by the relevant exchange and registered in the exchange's systems into its account with its clearing member. If those warrants delivered to the Master Fund in an OTC bullion derivative are utilized in connection with futures business, they should benefit from the same protections as other assets in the Master Fund's account with its clearing member: they would be considered "Specifically Identifiable Property" under CFTC regulations and as such will be capable of being returned or transferred to the identified customer in the event of the relevant clearing member's insolvency. In the unlikely event that such warrants are not utilized in connection with futures business, the Master Fund would not have those protections and would have to claim for their return in the insolvency of its clearing member. The failure of a US clearing member is specifically addressed under "Counterparty Risks – US Clearing Members" below.

Business Risk

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

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

Concentration of Investments

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

Conflicts of Interest in Strategy Funds

The Strategy Funds and CIM and its affiliates could be subject to various conflicts of interest, which could be resolved to the detriment of a Strategy Fund or the MS Master Fund. For example, CIM or its affiliates might favor allocating an investment opportunity to another client rather than a Strategy Fund or the MS Master Fund.

Counterparty and Related Risks – Prime Brokers and Custodians

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

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

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

Counterparty Risk – Clearing

If a clearing broker to a Master Fund defaults or enters into insolvency proceedings, the Master Fund may not, subject to the following paragraph, receive all of its collateral back or maintain its positions and there are likely to be time delays and costs connected with recovering such collateral.

Collateral provided by the relevant Master Fund in respect of derivatives transactions cleared by a clearing organization that is authorized as a central counterparty under the European Union Regulation No 648/2012 on OTC derivatives, Central Counterparties and Trade Repositories, as amended, replaced, recast, replaced or applied from time to time (also known as the European Market Infrastructure Regulation, or “EMIR”) may be subject to certain protections. There are a number of factors that, together, determine the level of protection the relevant Master Fund will receive in respect of collateral that it provides to a clearing broker for its cleared derivatives transactions. These include the choice of client account with the relevant clearing house, whether such collateral is transferred by way of title transfer or security interest, whether or not cash that the relevant Master Fund transfers to the clearing broker is treated as client money in accordance with the FCA client money rules, whether transactions are cleared directly through the relevant clearing house or through a third party broker, whether the relevant Master Fund is required to hold with or deliver to the clearing broker any excess margin, and the bankruptcy and other laws that govern the clearing broker and any other party (such as the clearing house) in the clearing structure.

Where the clearing broker takes collateral on a title transfer basis, the relevant Master Fund will lose all rights to such assets and shall instead be entitled to equivalent assets in the circumstances agreed in the relevant clearing agreement. The clearing broker may either transfer such portion of the collateral that the parties have agreed are to be passed to a third party broker or clearing house (as applicable) or transfer other assets of equivalent value on to the third party broker or clearing house (as applicable) with respect to a transaction.

Unless the relevant Master Fund's clearing broker is declared to be in default by the clearing house in respect of directly cleared transactions, the relevant Master Fund will have no right of recourse to any assets that the relevant clearing broker has transferred to the clearing house and the relevant Master Fund will instead have a claim against the clearing broker (or where it is insolvent, the clearing broker's estate) for a return of the assets along with all the clearing broker's other general creditors. Even if the clearing broker is declared to be in default by the clearing house, the extent of the relevant Master Fund's rights in relation to the assets held with the clearing house, if any, will depend on the particular clearing house, the choice of client account and applicable law.

Where a clearing broker takes collateral on a security interest basis, the relevant Master Fund's interest in such collateral should be better protected unless or until such time as any right of use that the clearing broker might have in respect of such collateral is exercised. Once such right of use is exercised, the relevant Master Fund will cease to own such collateral, and, subject to the choice of client account and the rules of the relevant clearing house, will bear credit risk on the clearing broker as above.

Where other parties in the clearing structure default (such as a third party clearing broker or clearing house), the relevant Master Fund may not receive all of its assets back or retain the benefit of its positions. In such circumstances the clearing broker's (and therefore the relevant Master Fund's) rights will depend on the law of the country in which such entity is located and the relevant protections in place. In particular, in the event of a clearing house insolvency, it is likely that the relevant Master Fund's positions would be terminated; the timing, procedures and risks of such termination would be dependent on the applicable insolvency law and clearing house rules. It is unlikely in such a case that the relevant Master Fund would have a direct claim against the defaulting entity, and the relevant Master Fund's entitlement would most likely be limited to such amounts that the clearing broker is able to recover in such circumstances.

In addition, depending on certain factors including the choice of client account, where a clearing broker takes collateral on a title transfer basis the relevant Master Fund's excess collateral held with a clearing broker may not be segregated from the assets of such clearing broker and, if not so segregated, may be used by such clearing broker in the course of its business, in which case, the relevant Master Fund will rank as an unsecured creditor of such clearing broker in relation thereto.

The laws or regulations applicable to derivatives that are cleared by a clearing organization that is not authorized as a central counterparty under EMIR will vary depending on the country in

which the transaction occurs and/or is cleared. In particular, collateral provided for the purpose of such transactions may not be subject to the treatment described above or be afforded the same protections as may be applicable to transactions cleared through clearing organizations authorized under EMIR. The failure of a US futures commission merchant is separately addressed under “Counterparty Risk – US Clearing Members” below.

Counterparty Risks – US Clearing Members

To clear commodity futures traded on a US exchange the clearing member must be a Futures Commission Merchant (“FCM”) registered with the CFTC. CFTC regulations require each FCM to segregate from its own assets and hold in a customer segregated account and for the sole benefit of their commodity customers (including the Master Fund) all customer funds and assets held by it as margin in respect of CFTC exchange-traded futures and options contracts. These funds and assets may also be posted by the FCM to the clearing house clearing the relevant contracts to fulfil the FCM’s obligation to post collateral to the clearing house.

An FCM may for convenience commingle the futures customer funds and assets, including CME Warrants, in a single account or multiple accounts but must treat and deal with the funds of each customer as belonging to that individual customer. The clearing house, however, treats each FCM’s customer segregated account on an omnibus basis, that is, as belonging to an undifferentiated group of customers. A clearing house may use all of the collateral held in an FCM’s omnibus customer segregated account to meet a loss in that account, without regard to which customer in fact supplied that collateral.

CME Warrants may be posted to the customer segregated account or be held in a special delivery account. Regardless of which account they are held in, as Specifically Identifiable Property, the warrants will, unless used to margin open positions, be capable of being returned or transferred to the identified customer in the event of a failure of the clearing member.

In the event of an FCM’s financial collapse, insolvency or bankruptcy, the customer funds held in that broker’s customer segregated accounts should, in theory, be safely insulated as an identifiably separate pool of assets and, as such, would not be available for distribution to the broker’s general creditors. The relevant CFTC regulations provide that proprietary assets of the FCM would be available to cover shortfalls in segregated property. However, one court which examined the issue rejected the regulations as being in excess of the CFTC’s proper powers, so there is a risk that the customers would not be kept whole. Clearing members are also allowed to withdraw funds from the account to the extent that the customer for whom they fronted them makes good on its margin obligations. There is therefore a risk of over-withdrawal due to operational error or fraud and there is no equivalent to the UK Financial Services Compensation Scheme or other insurance or protective scheme for commodities future contracts.

Upon insolvency of the FCM, a bankruptcy trustee would be appointed who would attempt to transfer customer accounts, including all customer positions, assets and funds, whether held as margin or otherwise, to another FCM willing to accept them. However, if there were a shortfall in the customer segregated account at the FCM due to operational error, fraud or otherwise, each customer would receive its pro rata share of the remaining assets, shared among customers holding accounts of the like class based on their net equity in their respective accounts. As such, customers, including the relevant Master Fund, bear the credit risk of their FCM as well as “fellow customer” risk to other clients of the FCM.

The relevant Master Fund may also trade futures contracts on a US exchange with an affiliate of the FCM (an “FCM Affiliate”) rather than the FCM directly. In this case, the Master Fund would be a customer of the FCM Affiliate and the FCM Affiliate would in turn be one of the customers in the FCM’s customer segregated account at the clearing house. This account may include assets of other customers of the FCM and house assets of the FCM Affiliate, and therefore the fellow customer risk of the FCM’s other customers as well as its FCM Affiliate.

The treatment of the relevant Master Fund’s US futures trades and assets by the FCM Affiliate will depend on the requirements applicable to that FCM Affiliate. If the FCM Affiliate were a UK

entity, FCA Rules would apply. CME Warrants are not considered safe custody investments and the FCM Affiliate would therefore be obliged only to hold them in a manner appropriate to their nature. It might be that the FCM Affiliate considers there then to be no need to record the CME Warrants in a segregated account in its own books, given the recording of the warrants in the Exchange's system and in the FCM's records where it has to be annotated with the customer account details.

Counterparty Risk – Other Counterparties

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

Credit Default Swaps

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

Credit Default Swaps Indices

The relevant Master Fund may use credit default swaps to gain long or short exposure to groups of particular issuers, sovereign debt and markets through investments in index portfolios of credit default swaps such as the CDX and iTRAXX credit default swap indices. By investing in indices or baskets of credit default swaps, the relevant Master Fund may take long or short views on the credit risk with respect to groups of issuers and each issuer within the group and buy or sell credit protection to the swap counterparties. For example, the CDX EM credit default swap index is a tradable basket of credit default swaps on country credits which seeks to replicate the returns on the indices of a broad group of emerging markets countries. The credits are a subset of the countries represented by the JPMorgan Emerging Markets Bond Index Global Diversified. By investing in a CDX EM credit default swap index, the relevant Master Fund would gain emerging markets exposure through a single investment. Like other credit default swaps, swaps on credit indices are generally considered illiquid and are subject to the

risk of counterparty default or inability or unwillingness to perform. The pricing relationships between credit indices and the instruments underlying such credit indices may not correlate with historical patterns, potentially resulting in unexpected losses.

Cross Class Liabilities

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

Currency Exposure

The ordinary shares of the relevant Master Fund are denominated in various currencies and may be issued and redeemed in those currencies. Certain of the assets of the relevant Master Fund may, however, be invested in securities and other investments which are denominated in other currencies and in other financial instruments the prices of which are determined by reference to such other currencies. The relevant Master Fund, however, values its investments and other assets in US Dollars. Accordingly, the value of such assets may be affected favorably or unfavorably by fluctuations in currency rates. The relevant Master Fund generally seeks to hedge its foreign currency exposure (including through the use of OTC derivatives) but will necessarily be subject to foreign exchange risks. However, the Firm or its Advisory Affiliates may also take speculative positions in currencies for the benefit of the relevant Master Fund as a whole. To the extent unhedged, the value of the relevant Master Fund's net assets fluctuates with the US Dollar exchange rate as well as with price changes of the relevant Master Fund's investments in the various local markets and currencies. Further, the Shares are denominated in various currencies and are issued and redeemed in those currencies.

CIM seeks to hedge the foreign exchange exposure of the assets of the relevant Fund attributable to the Fund's Shares denominated in non-US Dollar currencies through currency hedging transactions with the aim of minimizing the impact of fluctuations in the exchange rate of such currencies relative to the US Dollar on the net asset value of such Shares. However, there can be no assurance that such currency hedges will be successful or that they will not generate significant losses

Further, prospective investors whose assets and liabilities are predominately in other currencies should take into account the potential risk of loss arising from fluctuations in value between the currency in which the relevant Share class is denominated and such other currencies.

Shareholders exchanging from one currency Share class to another currency Share class may also be subject to potential risk of loss arising from fluctuations in value between the currencies in which the relevant Share classes are denominated.

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

Cybersecurity Risk

The relevant Fund, the relevant Master Fund, the Manager, the Firm and its Advisory Affiliates and/or one or more of their respective service providers or counterparties may be prone to

operational, information security and related risks resulting from failures of, or breaches, in cybersecurity.

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

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

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

Debt Securities

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

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

Deferral of Redemptions

The redemption of Shares of the EFI Fund, the GRV Fund, the MSF Fund and the TMA Fund may be deferred as described in detail in the relevant Fund’s offering documents. Any Shares

of the relevant Fund, the redemption of which is deferred, will remain invested in the Fund and accordingly, the relevant investors in the Fund will bear the risk of remaining invested in the Fund pending satisfaction of their redemption request in full.

Derivatives

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

Effects of Health Crises and Other Catastrophic Events

Health crises, such as pandemic and epidemic diseases, as well as other catastrophes such as natural disasters, war or civil disturbance, acts of terrorism, power outages and other unforeseeable and external events, that result in disrupted markets and/or interrupt the expected course of events, and public response to or fear of such crises or events, may have an adverse effect on the operations of and, where applicable, investments made by the relevant Fund, the relevant Master Fund, the Firm and its Advisory Affiliates. For example, any preventative or protective actions taken by governments in response to such crises or events may result in periods of regional, national or international business disruption. Such actions may significantly disrupt the operations of the Fund, the Master Fund, the Firm, its Advisory Affiliates and the other service providers to the Fund and the Master Fund. Further, the occurrence and duration of such crises or events could adversely affect economies and financial markets either in specific countries or worldwide. The impact of such crises or events could lead to negative consequences for the relevant Fund and the relevant Master Fund, including, without limitation, significant reduction in the net asset value of the Master Fund, reduced liquidity of the Master Fund's investments, restrictions on the ability of the Master Fund to value its investments and the potential suspension of the calculation of the Fund's net asset value and the suspension of issues, redemptions and exchanges of Shares as described in the relevant Fund's offering documents. See further under "Market Disruptions".

Emerging Markets

If the relevant Master Fund invests in government instruments issued by governments of, or securities of companies incorporated in or whose principal operations are in emerging markets, additional risks may be encountered. These include: (i) the currencies in which investments are denominated may be unstable, may be subject to significant depreciation and may not be freely convertible; (ii) the value of the relevant Master Fund's assets may be affected by political, legal, economic and fiscal uncertainties. Existing laws and regulations may not be consistently applied; (iii) emerging markets are still in the early stages of their development, have less

volume, are less liquid and experience greater volatility than more established markets and are not highly regulated. Settlement of transactions may be subject to delay and administrative uncertainties; (iv) emerging markets carry a higher degree of political risk than developed markets or regulations can impede repatriation of investment capital or earnings. It may be difficult to obtain and enforce a judgement in certain emerging markets in which assets of the relevant Master Fund have been invested; (v) custodians are not able to offer the level of service and safe-keeping, settlement and administration of securities that is customary in more developed markets and there is a risk that the relevant Master Fund will not be recognized as the owner of securities held on its behalf by a sub-custodian; and (vi) less complete and reliable fiscal and other information may be available to investors.

Equity, Equity-Linked Securities and Equity Indices

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

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

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

Exchange Traded Transactions

The relevant Master Fund may utilize clearing members to enter into exchange traded derivatives. The relevant Master Fund is not a clearing member of any clearing houses. However, all exchange-traded derivatives are subject to the rules of the relevant exchange on which they are traded and the clearing house through which they are cleared, binding members and their customers alike. The terms and conditions of exchange traded contracts may be modified by the exchange with little or no notice to reflect changes or events in respect of the underlying asset or otherwise. The relevant Master Fund may be required to post collateral on short notice as credit support for such transactions. Failure to post collateral may lead to transactions being closed out, which could result in a loss being incurred by the relevant Master Fund.

Forward Foreign Exchange Contracts

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

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

be subject to regulation by the CFTC. See also discussion under “OTC Transactions - Regulations” below.

Central clearing is offered only in respect of certain types of forward foreign exchange contracts entered into on this market and accordingly, if the relevant Master Fund wishes to ‘close out’ any such contract before the specified date, it will be reliant upon the agreement of the relevant counterparty. There is no limitation as to daily price movements on this market and none of the relevant Master Fund’s counterparties will be required to make or continue to make a market in any forward foreign exchange contracts. In exceptional circumstances there have been periods during which certain banks have refused to quote prices for forward foreign exchange contracts or have quoted prices with an unusually wide spread between the price at which the bank is prepared to buy and that at which it is prepared to sell. The imposition on any counterparty of credit restrictions on the dealing facilities which they agree to provide to the relevant Master Fund may subsequently limit any transactions in forward foreign exchange contracts. For forward foreign exchange contracts that are either excluded by the Secretary of the Treasury or not yet subject to exchange trading or clearing by the CFTC, the relevant Master Fund will be subject to the risk of the inability or refusal of the Fund’s counterparties to perform with respect to such contracts. Any such default would eliminate any profit potential and compel the relevant Master Fund to cover its commitments for resale or repurchase, if any, at the then current market price. These events could result in significant losses.

General Economic and Market Conditions

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

Global Financial Market Crisis and Governmental Intervention

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

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

National governments, their central banks and supra-governmental agencies and organizations have previously taken, and may in the future take, significant steps to intervene in the financial

markets. Current and future government, central bank and/or supra-governmental interventions may lead to a change in valuations of securities that is detrimental to the relevant Master Fund's investments. Such intervention is subject to inherent uncertainties relating to prevailing economic conditions and political considerations.

Highly Volatile Markets

The prices of derivative instruments, including options prices, are highly volatile. Price movements of forward contracts and other derivative contracts in which the relevant Master Fund may invest are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary, and exchange control programs and policies of governments, and national and international political and economic events and policies. In addition, governments from time to time intervene, directly and by regulation, in certain markets. Such intervention is often intended directly to influence prices and may, together with other factors, cause all of such markets to move rapidly in the same direction because of, among other things, interest rate fluctuations. The relevant Master Fund is also subject to the risk of the failure of any of the exchanges on which its positions trade or of their clearing houses.

Inadequacy of Index Replication Transactions and Class Currency Hedging Transactions

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

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

Index Shares and Market Stress

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

Investment Management Risk

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

Leverage

The Master Funds employ leverage for the purpose of making investments, including, in the case of the MS Master Fund, by investing in leveraged interests in the Strategy Funds. The use

of leverage creates special risks and may significantly increase the relevant Fund investment risk. Leverage creates an opportunity for greater yield and total return but, at the same time, will increase the relevant Fund's exposure to capital risk. Any investment income and gains earned on investments made through the use of leverage that are in excess of the costs associated therewith may cause the net asset value of the Shares to increase more rapidly than would otherwise be the case. Conversely, where the associated costs are greater than such income and gains, the net asset value of the Shares may decrease more rapidly than would otherwise be the case. In addition, certain Master Funds seek to create leveraged exposure for certain classes of Shares to the main portfolio of the relevant Master Fund. In this respect, the risks described under "Cross Class Liabilities" above will be elevated.

Liquidity and Market Characteristics

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

Further, where the Firm and/or the relevant Advisory Affiliate seeks to provide exposure to the performance of the relevant inflation-linked index for a certain Fund share class, it may do so through execution of inflation swaps. Inflation swaps may have higher valuation uncertainty, as well as potentially larger entry and exit costs than other instruments.

Market Disruptions

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

Global financial markets continue to experience volatility and uncertainty, which may adversely affect the relevant Fund and/or the relevant Master Fund.

Market Liquidity and Leverage

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

Nature of Strategy Funds' Investments

It is possible that the MS Master Fund and/or certain Strategy Funds may take positions in investments with a similar risk profile at the same time. Consequently, the possibility also exists that the MS Master Fund and/or certain Strategy Funds may purchase an instrument at about the same time as another Strategy Fund and/or the MS Master Fund decides to sell it. There can be no guarantee that the selection of Strategy Funds will result in a diversification of investment styles or that the positions taken by the MS Master Fund and the Strategy Fund(s) will always be consistent. In addition, to the extent that the MS Master Fund and/or certain Strategy Funds hold broadly economically offsetting positions, the MS Master Fund, considered as a whole, cannot achieve any gain or loss despite incurring expenses.

As a result of its investments, the MS Master Fund, and hence the MS Fund, may incur other risks, including currency exchange risks in respect of assets held in other currencies, tax risks in respect of assets invested in other jurisdictions, risks relating to political, social and economic factors which may affect the assets of the MS Master Fund and/or the Strategy Fund(s).

Negative Interest rates

Cash deposits (including amounts received in advance of a subscription day) may incur negative interest rates. Exposure to negative interest rates could therefore reduce sums originally applied to subscribe for Shares before a subscription day and/or detract from the relevant Fund's overall performance.

OTC Transactions and Securities Financing Transactions

To the extent not mitigated by implementation of the Dodd-Frank Act and/or EMIR and/or collateral arrangements, if at all, the risks posed by OTC derivative contracts, which can be extremely complex and may involve leveraging of the Master Fund's assets, include: (1) credit risks (the exposure to the possibility of loss resulting from a counterparty's failure to meet its financial obligations); (2) market risk (adverse movements in the price of a financial asset or commodity); (3) legal risks (the characterization of a transaction or a party's legal capacity to enter into it could render the financial contract unenforceable, and the insolvency or bankruptcy of a counterparty could pre-empt otherwise enforceable contract rights); (4) operational risk (inadequate controls, deficient procedures, human error, system failure or fraud); (5) documentation risk (exposure to losses resulting from inadequate documentation); (6) liquidity risk (exposure to losses created by inability to prematurely terminate the derivative); (7) systemic risk (the risk that financial difficulties in one institution or a major market disruption will cause uncontrollable financial harm to the financial system); (8) concentration risk (exposure to losses from the concentration of closely related risks such as exposure to a particular industry or exposure linked to a particular entity); and (9) settlement risk (the risk faced when one party to a transaction has performed its obligations under a contract but has not yet received value from its counterparty). Similar risks are posed by securities financing transactions.

For OTC derivatives that are cleared through a clearing house, there is the additional risk that the clearing house may become insolvent or lack the financial resources to assure performance in the event of a clearing house member's default.

The Master Fund may receive collateral from and may deliver collateral to a counterparty or broker (a "Counterparty") by way of title transfer or by way of security interest and, in certain circumstances, where the Master Fund delivers collateral to a Counterparty, may grant a right of reuse of such collateral to such Counterparty. The treatment of such collateral will vary according to the type of transaction and its contractual terms, the jurisdiction in which the Counterparty is located and the assets are traded, the legal status of the collateral and applicable law.

Where collateral is delivered by way of title transfer, the Master Fund will be exposed to the creditworthiness of the Counterparty and, in the event of insolvency, the Master Fund will rank as an unsecured creditor in relation to any amounts transferred as collateral in excess of the Master Fund's exposure to the Counterparty.

Where assets are delivered pursuant to a security interest or cash is protected pursuant to the FCA's Client Money Rules, such assets and cash should be protected from the insolvency of the Counterparty but subject to the Counterparty complying with its obligations pursuant to the terms of the agreement with the Master Fund and applicable law.

Where the Counterparty exercises a right of use in respect of financial instruments provided to it by the Master Fund as collateral, the Master Fund's rights in respect of such financial instruments will be replaced by an unsecured contractual claim for delivery of equivalent financial instruments subject to the terms of the relevant arrangement. The relevant financial instruments will not be held by the Counterparty in accordance with client asset rules or similar rights and so will not be segregated from the Counterparty's own assets or held on trust for the Master Fund. In the event of the Counterparty's insolvency or default, the Master Fund's claim for delivery of equivalent financial instruments will not be secured and will be subject to the terms of the relevant arrangement and applicable law and, accordingly, the Master Fund may not receive such equivalent financial instruments or recover the full value of the financial instruments. Further, in the event that a resolution authority exercises its powers under any relevant resolution regime in relation to the Counterparty any rights the Master Fund may have to take any action against the Counterparty, such as to terminate the relevant agreement, may be subject to a stay by the relevant resolution authority and/or the Master Fund's claim for delivery of equivalent financial instruments may be reduced (in part or in full) or converted into equity and/or a transfer of assets or liabilities may result in the Master Fund's claim being transferred to different entities.

Where collateral is held by a custodian, on the insolvency or default of the custodian the relevant financial instruments should, subject to the terms of the relevant agreement and applicable law, be unavailable to its general creditors. However, in the event of an irreconcilable shortfall following the default of a custodian the Master Fund may share in that shortfall proportionately with the custodian's other customers.

Collateral arrangements may be subject to a number of operational risks, including the failure of the Master Fund to call for collateral where it is entitled to do so, the failure of the Counterparty to call for the correct amount of collateral or failure to redeliver any excess collateral and settlement failures.

In the event that the Master Fund attempts to realize collateral following the default by a Counterparty, there may be no or limited liquidity or other restrictions in respect of the relevant collateral and any realization proceeds may not be sufficient to off-set the Master Fund's exposure to the Counterparty and the Master Fund may not recover any shortfall.

OTC Transactions – Regulation

There has been an international effort to increase the stability of the financial system in general, and the OTC derivatives market in particular, in response to the "financial crisis" of 2007-2009. The leaders of the G20 have agreed that all standardized OTC derivative contracts should be

traded on exchanges or electronic trading platforms, where appropriate, and cleared through central counterparties, that OTC derivative contracts should be reported to trade repositories and that non-centrally cleared contracts should be subject to higher margin requirements.

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

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

The SEC and the CFTC may also require a substantial portion of derivative transactions that are currently executed on a bilateral basis in the OTC markets to be executed through a regulated securities, futures, or swap exchange or execution facility. Such requirements may make it more difficult and costly for investment funds, including the relevant Master Fund, to enter into highly tailored or customized transactions. They may also render certain strategies in which the relevant Master Fund might otherwise engage impossible or so costly that they will no longer be economical to implement.

OTC derivative dealers and major OTC derivatives market participants are required to register with the SEC and/or the CFTC. Based on the current levels of uncollateralized exposure to their swap dealers, it is not anticipated that the relevant Master Fund, the Firm and/or any of its Advisory Affiliates will be required to register as major participants in the OTC derivatives markets. Dealers and major swap participants will also be subject to minimum capital requirements and parties to uncleared OTC derivatives will be subject to minimum initial and variation margin requirements. These requirements may apply irrespective of whether the OTC

derivatives in question are exchange-traded or cleared. OTC derivatives dealers either currently are or soon will also be subject to business conduct standards, disclosure requirements, reporting and recordkeeping requirements, transparency requirements, position limits, limitations on conflicts of interest, and other regulatory burdens. These requirements may increase the overall costs for OTC derivative dealers, which are likely to be passed along, at least partially, to market participants in the form of higher fees or less advantageous dealer marks. The overall impact of the Dodd-Frank Act on the relevant Master Fund is highly uncertain and it is unclear how the OTC derivatives markets will adapt to this regulatory regime.

Although the Dodd-Frank Act will require many OTC derivative transactions previously entered into on a principal-to-principal basis to be submitted for clearing by a regulated clearing house, certain of the derivatives that may be traded by the relevant Master Fund may remain principal-to-principal or OTC contracts between the relevant Master Fund and third parties entered into privately. The risk of counterparty non-performance can be significant in the case of these OTC instruments, and “bid-ask” spreads may be unusually wide in these heretofore substantially unregulated markets. While the Dodd-Frank Act is intended in part to reduce these risks, its success in this respect may not be evident for some time after the Dodd-Frank Act is fully implemented, a process that may take several years.

EMIR introduced uniform requirements in respect of OTC derivative contracts by requiring certain “eligible” derivative contracts to be submitted for clearing to regulated central clearing counterparties and by mandating the reporting of certain details of derivative contracts to trade repositories. In addition, EMIR imposes risk mitigation requirements for appropriate procedures and arrangements to measure, monitor and mitigate operational and counterparty credit risk in respect of OTC derivative contracts which are not subject to mandatory clearing, such as the exchange and segregation of collateral.

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

Realization of Profits and Valuation of Investments

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

Rebalancing Adjustments

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

Regulatory Risks of Hedge Funds

The regulatory environment for hedge funds is evolving and changes therein may adversely affect the value of investments held by the relevant Master Fund and/or the ability of the Master

Fund to obtain the leverage it might otherwise obtain or to implement its investment approach and achieve its investment objective. In addition, securities and futures markets are subject to comprehensive statutes, regulations and margin requirements. Regulators and self-regulatory organizations and exchanges are authorized to take extraordinary actions in the event of market emergencies. In addition, the regulatory or tax environment for derivative and related instruments and funds that engage in such transactions is evolving and may be subject to modification by government or judicial action which may adversely affect the value of the investments held by the relevant Master Fund. The effect of any future regulatory or tax change on the relevant Fund and/or the relevant Master Fund is impossible to predict.

In particular, European Directive 2011/61/EU on Alternative Investment Fund Managers ("AIFMD") regulates alternative investment fund managers ("AIFMs") (such as CIM) established in the European Economic Area ("EEA") or the United Kingdom. As an authorised AIFM, CIM complies with various obligations in relation to the Funds which may create significant additional costs that may be borne by Investors. Whilst AIFMD has been implemented in most EEA member states and the United Kingdom, the applicable AIFMD processes and procedures are still being developed and refined and are dependent on the local regulator in each jurisdiction. Any consequential regulatory changes that impair the ability of CIM to manage the investments of the Funds, or limit the marketing of Shares by or on behalf of CIM, in the future, may materially adversely affect the Funds' ability to continue to implement their investment approaches and achieve their investment objectives. The Directors and/or CIM will monitor the position and reserve the right to adopt such arrangements as they deem necessary or desirable to comply with the applicable requirements of AIFMD, including making any relevant filings in order to be able to market Shares to professional investors in the EEA and the United Kingdom. However, for the purposes of the AIFMD, marketing does not include responding to enquiries and requests for information made at the initiative of the relevant investor. It is CIM's current intention not to actively offer or place shares of certain Funds to investors in the EEA or the United Kingdom.

Market disruptions and the dramatic increase in the capital allocated to alternative investment strategies during the past decades have led to increased governmental as well as self-regulatory scrutiny of the "hedge fund" and financial services industry in general. Certain legislation proposing greater regulation of the industry, such as the Dodd-Frank Act, is considered periodically by the US Congress, as well as by the governments of non-US jurisdictions. It is impossible to predict what, if any, changes in the regulations applicable to the relevant Fund, the relevant Master Fund, the Firm, its Advisory Affiliates, the markets in which the Master Fund trades and invests or the counterparties with which it does business may be instituted in the future. Any such laws or regulations may materially adversely affect the relevant Master Fund's ability to continue to implement its investment approach and achieve its investment objective, as well as require increased transparency as to the identity of the relevant Fund's investors.

The Dodd-Frank Act seeks to regulate markets, market participants and financial instruments that previously have been unregulated and substantially alters the regulation of markets, market participants and financial instruments. The Dodd-Frank Act could result in certain investment strategies in which the relevant Master Fund proposes to engage or may have otherwise engaged becoming non-viable or non-economic to implement. The Dodd-Frank Act and regulations adopted pursuant to the Dodd-Frank Act may materially adversely affect the relevant Master Fund's ability to continue to implement its investment approach and achieve its investment objective.

In addition, securities and futures markets are subject to comprehensive statutes, regulations and margin requirements. Regulators and self-regulatory organizations, including, but not limited to, the CFTC and the NFA, and exchanges are authorized to take extraordinary actions in the event of market emergencies including, for example, the retroactive implementation of speculative position limits or higher margin requirements, the establishment of daily price limits and the suspension of trading. The regulation of swaps, futures and/or other derivative transactions and funds that engage in such transactions is an evolving area of law and is subject to modification by governmental, regulatory and judicial actions. The effect of any future regulatory change on the relevant Fund and/or relevant the Master Fund could be substantial

and adverse including, for example, increased compliance costs, terms relating to margin, increased disclosure requirements, the prohibition of certain types of trading and/or the inhibition of the relevant Master Fund's ability to fulfil its investment objective.

Short Selling

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

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

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

Due to regulatory or legislative action taken by regulators around the world as a result of volatility in the global financial markets from time to time, taking short positions on certain securities has been restricted and/or more onerous disclosure requirements in respect of short positions have been implemented. The levels of restriction and disclosure vary across different jurisdictions and are subject to change in the short to medium term. Such restrictions and/or disclosure requirements have made it difficult and in some cases impossible for numerous market participants either to continue to implement their investment strategies or to control the risk of their open positions and in some cases have increased the risk for such participants to do so. Accordingly, the Firm and/or its Advisory Affiliates may not be in a position to fully express its/their negative views in relation to certain securities, companies or sectors and the ability of the Firm and/or its Advisory Affiliates to fulfil the investment objective of the relevant Master Fund may be constrained. This position will be monitored regularly by CIM.

Sovereign Debt

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

Sovereign Risk

Government interference with international transactions in its currency or the debt obligations of itself or its nationals through various means, including, without limitation, regulation of the

local exchange market, restrictions on foreign investment by residents, limits on flows of investment funds from abroad and debt moratoria, may expose the relevant Master Fund, and hence the Fund, to unanticipated losses.

Speculative Position Limits and Daily Price Fluctuation Limits

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

In addition, some US commodity exchanges limit fluctuations in certain prices during a single day by imposing what are known as “daily price fluctuation limits” or “daily limits.” The existence of “daily price fluctuation limits” or “daily limits” may reduce liquidity or effectively curtail trading in particular markets. Once the price of a particular contract has increased or decreased by the daily limit, positions in the contract can effectively neither be taken nor liquidated. Contract prices in various investments may occasionally fluctuate beyond the daily limit for several consecutive days with little or no trading. Such occurrences could prevent the relevant Master Fund from promptly liquidating unfavorable positions and subject the relevant Master Fund to substantial losses, which could exceed the margin initially committed to such trades. Daily limits may reduce liquidity, but they do not limit ultimate losses, as such limits apply only on a day-to-day basis. In addition, even if contract prices have not fluctuated beyond the daily limit, the relevant Master Fund may not be able to execute trades at favorable prices if there is only light trading in the contracts involved.

Strategy Fund Allocation Changes

CIM determines the allocation of the MS Master Fund’s assets to the Strategy Funds. To the extent that the MS Master Fund invests in Strategy Funds, the performance of the MS Fund will depend on CIM’s successful selection and allocation to such Strategy Funds.

Strategy Funds

The Strategy Funds are speculative investments, sometimes highly leveraged and may employ illiquid strategies involving substantial risk of loss. All prospective investors, either individually or together with their professional advisors, must have the financial sophistication and expertise to evaluate the merits and risks of an investment in the MS Fund.

The past performance of a Strategy Fund will not necessarily be indicative of its future results. There are no material limitations on the countries, instruments or markets in which the Strategy Funds may invest or on the investments or trading strategies which they may employ.

One or more of the Strategy Funds may invest in and actively trade instruments with significant risk characteristics, including risks arising from the volatility of securities, financial futures, derivatives, currency and interest rate markets, the leverage factors associated with trading in such markets and instruments, and the potential exposure to loss resulting from counterparty defaults. There can be no assurance that a Strategy Fund's investment program will be successful or that the investment objective of a Strategy Fund will be achieved.

Despite the procedures which will be used to select and monitor the individual Strategy Funds in which the assets of the MS Master Fund may be invested, there can be no assurance that past performance information in relation thereto will be indicative of how such investments will perform (either in terms of profitability or correlation) in the future.

Tax Considerations

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

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

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

Transaction Costs

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

Undervalued/Overvalued Securities

One of the key objectives of the relevant Master Fund is to identify and take positions in undervalued and overvalued securities or derivatives thereof ("misvalued securities"). The identification of investment opportunities in misvalued securities is a difficult task, and there can be no assurance that such opportunities will be successfully recognized. While purchases of

undervalued securities and short sales of overvalued securities offer opportunities for capital appreciation, these investments involve a high degree of financial risk and can result in substantial losses. Returns generated from the relevant Master Fund's investments may not adequately compensate for the business and financial risks assumed.

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

US Tax-Exempt Investors

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

Item 9: Disciplinary Information

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

Item 10: Other Financial Industry Activities and Affiliations

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

The Firm is affiliated and under common control with other entities engaged in investment advisory and commodities businesses, including, without limitation, CIM, an Exempt Reporting Adviser with the SEC, an alternative fund manager authorized and regulated by the FCA in the United Kingdom, a commodity pool operator registered with the CFTC and a member of the NFA; Capula Investment Japan ("CIJ"), an Exempt Reporting Adviser with the SEC, an exempt commodity trading adviser in reliance on CFTC Rule 4.14(a)(10) and a discretionary investment adviser registered with the Financial Services Agency in Japan; Capula Investment Management Singapore Pte. Ltd. ("CIMS"), an Exempt Reporting Adviser with the SEC, an exempt commodity trading adviser with the CFTC in reliance on CFTC Rule 4.14(a)(10) and a fund management company licensed with the Monetary Authority of Singapore; Capula Investment Management Asia Limited ("CIMAL" and together with CIJ, CIMS and CIM, the "Advisory Affiliates"), an Exempt Reporting Adviser with the SEC, an exempt commodity trading adviser with the CFTC in reliance on CFTC Rule 4.14(a)(10) and an investment adviser registered with the Securities and Futures Commission in Hong Kong; and CGPL, the general partner of one of the GRV Fund's feeder funds and one of the TR Master Fund's feeder funds. The Firm is also affiliated with and indirectly controlled by CML. CML is the manager of the Funds and controlled by Yan Huo.

The firm also has a business relationship with Montec, a SEC-registered broker-dealer and a wholly-owned indirect subsidiary of one of a private investment fund client of the Firm, the GRV Master Fund. Montec is a member of the Financial Industry Regulatory Authority ("FINRA") and a member of the Securities Investor Protection Corporation. Montec focuses on repurchase and reverse repurchase transactions (collectively, "repo" or "repo transactions") involving certain types of government securities. Neither the Firm nor its affiliates have an ownership interest in Montec. Montec is considered a related person of the Firm.

An employee of the Firm acts as Montec's chief executive officer ("CEO") and is registered with FINRA as Montec's principal. A director of the Firm's general partner, CMUS, is also a director of Montec.

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

The Firm currently provides investment advisory services to the Master Funds and the SMA, and in the future may provide investment advisory services to other clients besides these Clients. Under such circumstances, the portfolio strategies employed by the Firm for one client could conflict with the transactions and strategies employed by the Firm in managing one or more other clients and may affect the prices and availability of the financial instruments and

assets in which such clients invest. Conversely, participation in specific investment opportunities may be appropriate, at times, for multiple clients that employ differing investment strategies.

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

Except as specified below, neither the Firm nor any of its affiliates acts in any capacity as a broker-dealer or a futures commission merchant. However, Montec (discussed above), is a broker-dealer and trades on arm's length industry terms with the GRV Master Fund, its indirect parent company, and a private investment fund client of the Firm. Currently, the GRV Master Fund is intended to be the only customer of Montec. Certain Firm trading staff members are registered with FINRA as Montec's representatives and may from time to time have knowledge of Montec's repo positions and/or execute repo transactions for Montec. The Firm has implemented certain informational and physical controls designed to address potential conflicts of interest that may arise in such circumstances.

Additionally, certain Firm employees provide administrative services for Montec, including acting as Montec's CEO and director, and providing finance, accounting, IT and legal support (collectively, "Administrative Services"), pursuant to service level contractual arrangements. Under such arrangements, the Firm is compensated by Montec for all allocable expenses attributable to Montec, and all costs of the Administrative Services allocable to Montec (collectively, the "BD Support Expenses"). The Firm does not receive any other form of compensation from Montec.

Although the Firm does not recommend or select other investment advisers for its clients, the Firm's affiliates from time to time facilitate the retention of sub-advisory services from other investment advisers for some of the Firm's clients. Neither the Firm nor its Advisory Affiliates receive any compensation either directly or indirectly from such investment advisers.

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

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

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

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

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

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

Item 12: Brokerage Practices

General Arrangements

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

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

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

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

From time to time, the Firm utilizes Montec as broker for certain repo transactions solely for the GRV Master Fund. The GRV Master Fund is the sole customer of Montec and therefore the Firm may not utilize Montec's brokerage for any other Fund. As further described in Item 10, Montec is a wholly-owned indirect subsidiary of the GRV Master Fund and is considered a related person of the Firm.

In providing services to the Funds, the Firm primarily utilizes traditional brokerage services. Pursuant to the requirements under the European Union's Markets in Financial Instruments Directive (2004/39/EC) and Markets in Financial Instruments Regulation (600/2014) (collectively, "MiFID 2") applicable to the Firm, the Firm does, and is required to, execute certain swap transactions through "multilateral trading facilities" and/or "organized trading facilities" in the United Kingdom. The Firm also executes certain swap transactions through "swap execution facilities" in the United States.

Soft Dollars and Research Expenses

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

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

has incurred for research for the relevant period is published in the Master Fund's annual financial statements.

CIM pays for all research that it and its affiliates receive (excluding any complimentary research that the Firm from time to time receives) from third parties in connection with the provision of services to the SMA.

Although the majority of the Firm's investment research is generated internally, to the extent the Firm utilizes, as needed, external research of selected, recognized research providers to evaluate overall market trends, investment patterns, and general economic conditions, among other factors, the costs of such research are borne by the relevant Client, and not the Firm, as set out in the Clients' offering documents or investment management agreement, as applicable. Additionally, the costs of investment house data and analytics tools and market analytics systems (such as Bloomberg and Reuters) that provide information regarding potential and existing investments are also borne, directly or indirectly via the PTE, by the relevant Clients, and not the Firm, as set out in the Clients' respective offering documents or investment management agreement, as applicable.

Directed Brokerage

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

Brokerage for Client Referrals

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

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

Allocation and Aggregation

As mentioned above, the Firm currently provides discretionary investment advisory services only in respect of the Client Accounts. The Firm does and may provide discretionary investment advice to more than one client account that may seek to invest in the same investment

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

The Firm does and may (but is not required to) aggregate trades for its clients or together with client accounts advised or managed by the Advisory Affiliates in order to achieve a fair and equitable result between different client accounts for which the same trade is suitable at the same time. The Firm's portfolio managers retain the discretion as to whether and when to aggregate trades. There may be times where more than one portfolio manager is placing a trade order for the same instrument and such trades are not aggregated. In any case, no trades shall be aggregated unless it is unlikely that the aggregation of trades will work overall to the disadvantage of any client whose trade is to be aggregated.

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

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

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

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

Item 13: Review of Accounts

The Firm is represented by Rania Perry, who supervises the Firm's principal office in New York, NY and branch office in Miami, FL, at the weekly investment committee meeting organized by CIM for the Capula Group. The investment committee, which also includes a member of the Capula Group's risk team, reviews the trading and investment positions of the Client Accounts. In addition, the Capula Group personnel (including the Firm's personnel) reviews and monitors Client Account positions on a daily basis and applies risk management limits thereto.

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

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

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

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

Item 14: Client Referrals and Other Compensation

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

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

The Firm does not act in any capacity as a broker-dealer, and accordingly, the Firm does not receive any compensation for acting as a broker-dealer. However, as described in Item 10, a private investment fund client of the Firm indirectly owns and controls, Montec, a SEC-registered broker-dealer and compensates the Firm for certain BD Support Expenses incurred in connection with the Administrative Support Services provided by the Firm to Montec. The Firm does not receive any other form of compensation from Montec.

Although the Firm does not compensate any person for client or investor referrals, from time to time the Firm's Advisory Affiliates utilize third-party placement agents that receive compensation for referring investors to investment vehicles managed or advised by the Firm or such Advisory Affiliates. Such compensation is borne by the Advisory Affiliates or by the referred investor, depending on the arrangement with the placement agent. Third-party placement arrangements present conflicts of interest because, among other things, (i) the placement agent benefits financially from referring an investor to the Advisory Affiliates rather than to other competitive financial services or advisory firms that may also be appropriate for the investor, and (ii) the Advisory Affiliate benefits financially from the management fees the investor indirectly pays in connection with its investment(s) into the relevant investment vehicle. As described in Item 12 of this Brochure, the Clients have entered into agreements with certain broker-dealers that act as prime brokers on their behalf, and Firm personnel may speak at or participate in "capital introduction" events sponsored by those broker-dealers.

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

Item 15: Custody

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

The GRV Master Fund has appointed The Bank of New York Mellon, London Branch, HSBC Bank plc and State Street Bank and Trust Company (collectively, the "GRV Custodians") as custodians to provide custody services for the GRV Master Fund's assets. The TR Master Fund has appointed The Bank of New York Mellon (International) Limited, The Bank of New York Mellon, London Branch, HSBC Bank plc and State Street Bank and Trust Company (collectively, the "TRF Custodians") as custodians to provide custody services for the TR Master Fund's assets. The VOL Master Fund has appointed The Bank of New York Mellon (International) Limited, The Bank of New York Mellon, London Branch and HSBC Bank plc (collectively, the "VOL Custodians") as custodians to provide custody services for the VOL Master Fund's assets. The EFI Master Fund has appointed The Bank of New York Mellon (International) Limited, The Bank of New York Mellon, London Branch and HSBC Bank plc (collectively, the "EFI Custodians") as custodians to provide custody services for the EFI Master Fund's assets. The TMA Master Fund has appointed The Bank of New York Mellon (International) Limited, The Bank of New York Mellon, London Branch and HSBC Bank plc (the "TMA Custodians") as custodians to provide custody services for the TMA Master Fund's assets. The MS Master Fund has appointed The Bank of New York Mellon (International) Limited and HSBC Bank plc (the "MS Custodians") as custodians to provide custody services for the MS Master Fund's assets. The HHS Master Fund has appointed The Bank of New York Mellon (International) Limited (the "HHS Custodian") as custodian to provide custody services for the HHS Master Fund's assets.

The GRV Master Fund's appointed prime brokers are Barclays Bank PLC, Barclays Capital Inc., Barclays Capital Securities Limited, BNP Paribas, London Branch, BofA Securities Inc., J.P. Morgan Securities LLC, Merrill Lynch International, Morgan Stanley & Co. International plc, UBS AG, London Branch and Societe Generale International Limited. Although the prime brokers' terms of appointment include custodian services, the GRV Custodians provide the majority of such services to the GRV Master Fund. The TR Master Fund's appointed prime brokers are Barclays Bank PLC, Barclays Capital Inc., Barclays Capital Securities Limited, BNP Paribas, London Branch, BofA Securities Inc., J.P. Morgan Securities LLC, Merrill Lynch International, Morgan Stanley & Co. International plc and Societe Generale International Limited. Although the prime brokers' terms of appointment include custodian services, the TRF Custodians provide the majority of such services to the TR Master Fund. The VOL Master Fund's appointed prime brokers are Barclays Bank PLC, BNP Paribas, London Branch, BofA Securities Inc., J.P. Morgan Securities LLC and Societe Generale International Limited. Although the prime brokers' terms of appointment include custodian services, the VOL Custodians provide the majority of such services to the VOL Master Fund. The EFI Master Fund's appointed prime brokers are Barclays Bank PLC, BofA Securities Inc., J.P. Morgan Securities LLC and Societe Generale International Limited. Although the prime brokers' terms of appointment include custodian services, the EFI Custodians provide the majority of such services to the EFI Master Fund. The TMA Master Fund's appointed prime brokers are Barclays Bank PLC, Barclays Capital Inc., BNP Paribas, London Branch, BofA Securities Inc., J.P. Morgan Securities LLC and Societe Generale International Limited. Although the prime brokers' terms of appointment include custodian services, the TMA Custodians provide the majority of such services to the TMA Master Fund. The MS Master Fund's appointed prime brokers are Barclays Bank PLC, Barclays Capital Inc., BNP Paribas, London Branch, BofA Securities Inc., J.P. Morgan Securities LLC, Morgan Stanley International PLC and Societe Generale International Limited. Although the prime brokers' terms of appointment include custodian services, the MS Custodians provide the majority of such services to the MS Master

Fund. The HHS Master Fund's appointed prime broker is BNP Paribas, London Branch. Although the prime broker's terms of appointment include custodian services, the HHS Custodian provides the majority of such services to the HHS Master Fund.

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

Item 16: Investment Discretion

As mentioned in Item 4 of this Brochure, the Firm has accepted full discretionary authority to provide investment advisory services in respect of the Client Accounts. The Firm has accepted such discretionary investment authority with respect to each Fund Client under the terms of the IAA, and subject to the applicable investment objectives, approach and restrictions of such Fund as described in the Fund's offering documents. Fund investors are not permitted to place any limitations on this authority. The Firm also has accepted such discretionary investment authority with respect to the SMA under the terms of the SMA IMA, and subject to the applicable investment objectives, approach and restrictions of the SMA as described in the SMA IMA. The beneficial owner of the SMA may place certain limitations on this authority.

Item 17: Voting Client Securities

The Firm currently has proxy voting authority only over the assets held in the Client Accounts but does not have such authority over other assets of the Clients. In compliance with Advisers Act Rule 206(4)-6, the Firm has adopted proxy voting policies and procedures. The Firm's policy is to vote proxy proposals, amendments, consents, or resolutions in a manner that serves the best interest of its clients and is in line with clients' investment objectives. Accordingly, under the Firm's proxy voting policy, given the large number, relatively small size and short holding periods of the equity positions held from time to time in the relevant Client Account and the quantitative basis for these equity trades, the Firm has determined that voting any proxies in these circumstances would not be in the best interest of the Clients as such voting would be impractical and unduly burdensome in terms of the cost and time, which would considerably outweigh any minimal benefits that may result from attempting to vote any proxies for the relevant Client Account. Accordingly, the Firm abstains from voting any proxy in respect of equity securities (if any) held in any of its Client Accounts.

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

Current and prospective Fund Investors and clients may request information from the Firm about how it voted securities in connection with a particular proxy vote and may also request a copy of the Firm's proxy voting policies and procedures, in each case by contacting the Firm at +1 (646) 874-5400 or by email at iabramov@capulaglobal.com.

Item 18: Financial Information

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