

**Item 1: Cover Page**

# **ExodusPoint Capital Management, LP**

## **Part 2A of Form ADV The Brochure**

65 East 55th Street  
New York, New York 10022

March 28, 2024

This brochure provides information about the qualifications and business practices of ExodusPoint Capital Management, LP and its relying advisers (collectively, “ExodusPoint”). If you have any questions about the contents of this brochure, please contact us at (646) 940-9600. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any State Securities Authority.

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

Any reference to ExodusPoint as a “registered investment adviser” or as being “registered,” does not imply a certain level of skill or training.

## Item 2: Material Changes

Since ExodusPoint’s last Form ADV Part 2A amendment, which was filed on January 19, 2024, the following material update has been made:

- A new section was added to address the risks associated with ExodusPoint’s use of Artificial Intelligence tools.

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## Item 4: Advisory Business

ExodusPoint is a Delaware limited partnership that was formed in 2017 and commenced operations in 2018. The general partner of ExodusPoint is ExodusPoint Capital Partners GP, LLC, a Delaware limited liability company. Michael Gelband and Hyung Soon Lee (the “Principals”), as the managers and principal owners of ExodusPoint Capital Partners GP, LLC, control ExodusPoint. ExodusPoint is owned and controlled by the Principals with Michael Gelband having ultimate authority over day-to-day decisions. The investment activities of ExodusPoint are led by the Principals together with other investment professionals who assist in executing investment strategies on behalf of clients.

As of the close of business on December 31, 2023, ExodusPoint advised approximately \$12.02 billion in assets under management, and approximately \$85.73 billion in regulatory assets under management, on a discretionary basis. ExodusPoint does not manage assets on a non-discretionary basis.

ExodusPoint provides discretionary investment advice to the following private investment funds: (i) ExodusPoint Partners Fund, LP; (ii) ExodusPoint Partners Master Fund, LP; (iii) ExodusPoint Partners International Fund, Ltd.; (iv) ExodusPoint Partners Intermediate Fund, LP; and (v) ExodusPoint Strategy 5 Onshore Fund, LP (collectively, the “Funds”). ExodusPoint Partners Fund, LP (the “Domestic Feeder Fund”) is a Delaware limited partnership formed primarily for investment by US investors. ExodusPoint Partners International Fund, Ltd. (the “Offshore Feeder Fund,” together with the Domestic Feeder Fund, the “Feeder Funds”) is an exempted company incorporated under the laws of the Cayman Islands to facilitate investment by US tax-exempt and non-US investors. ExodusPoint Partners Master Fund, LP (the “Master Fund”) is a Cayman Islands exempted limited partnership. The Offshore Feeder Fund (through ExodusPoint Partners Intermediate Fund, LP (the “Intermediate Fund”), which is also a Cayman Islands exempted limited partnership) the Domestic Feeder Fund and ExodusPoint Strategy 5 Onshore Fund, LP generally invest substantially all of their assets through the Master Fund in a “master-feeder” arrangement. However, the Domestic Feeder Fund also is permitted to make, has made and expects in the future to make investments directly or through trading subsidiaries, and the Offshore Feeder Fund through the Intermediate Fund may also make investments directly or through trading subsidiaries. In the future, ExodusPoint may form other feeder funds to invest directly or indirectly in the Master Fund.

In addition to the Funds, ExodusPoint is also the investment manager of ExodusPoint Management Investors International, Ltd., which invests into the Offshore Feeder Fund; ExodusPoint Management Investors, LLC, which invests into the Domestic Feeder Fund (together, the “Employee Vehicles”); and certain trading subsidiaries of the Master Fund. The Employee Vehicles are deemed to be “clients” under the Investment Advisers Act of 1940, as amended (the “Advisers Act”).

The Principals, those employees of ExodusPoint or its affiliates, Third-Party Managers (as defined below) and those members of their investment teams seeking exposure to the Master Fund’s portfolio generally invest (personally, jointly with their spouse or through entities such

as their estate planning vehicles) in the Domestic Feeder Fund, the Offshore Feeder Fund or any other feeder funds directly or indirectly through an Employee Vehicle.

In addition, certain Portfolio Managers (as defined below) and members of their investment teams have invested or will be permitted to invest in the future, directly or indirectly, in the Master Fund in order to achieve exposure only to their own respective strategies, including by investing in a separate series of shares of an Employee Vehicle or through one or more dedicated investment vehicles. It is anticipated that such Employee Vehicle series or other investment vehicles will only be available to Portfolio Managers and members of their investment teams and not to any other investors. ExodusPoint believes that permitting Portfolio Managers and members of their investment teams to make such investments generally is useful in aligning the interests of such persons with those of other investors, though these arrangements could cause the interests of such Portfolio Managers to diverge from those of other investors.

Various entities that are affiliated with the ExodusPoint serve as general partners to certain of these Funds (each and collectively, “General Partner”).

In providing services to the Funds, ExodusPoint, among other things: (i) manages the Funds’ assets in accordance with the terms of the applicable governing documents; (ii) directs and manages the investment and reinvestment of the Funds’ assets; and (iii) provides periodic reports to investors. ExodusPoint provides investment advice directly to the Funds and not individually to the Funds’ investors. ExodusPoint does not participate in wrap fee programs.

The Funds’ investment objective is to consistently generate attractive, risk-adjusted returns in all market environments and to preserve investor capital. ExodusPoint seeks to achieve the Funds’ investment objective by allocating substantially all of the assets of the Funds to the discretionary investment authority of a number of portfolio managers and their investment teams (together with Third-Party Managers, “Portfolio Managers”) that employ a wide range of investment strategies including (but not limited to): systematic and quantitative strategies, relative value fixed income, credit, event-driven, fundamental long/short equity and global macro. ExodusPoint has complete discretion to select and allocate capital among investment strategies and Portfolio Managers and may cause the Funds to invest in any additional investment strategies not listed above in its own discretion.

In addition to Portfolio Managers employed directly by ExodusPoint, ExodusPoint is permitted to allocate, has allocated and in the future may allocate a portion of the Funds’ capital to third-party portfolio managers or to third-party consultants providing research or non-discretionary trading services that are not employees and/or are operated independently of ExodusPoint (each, along with its affiliates, a “Third-Party Manager”) or to commingled or dedicated investment accounts or vehicles managed by Third-Party Managers. Third-Party Managers may and currently do manage capital on behalf of the Funds on an exclusive basis or may manage the Funds’ capital in addition to managing other investor capital or client accounts. ExodusPoint currently has engaged certain Third-Party Managers to manage a portion of the Master Fund’s capital and anticipates engaging additional Third-Party Managers in the future. ExodusPoint may economically participate in the businesses of Third-Party Managers through equity stakes or revenue sharing arrangements. Such participation would create a conflict of interest for

ExodusPoint in allocating a portion of the Funds' capital to such Third-Party Managers. For the avoidance of doubt, the term "Portfolio Manager," as used in this brochure, includes Third-Party Managers unless explicitly stated otherwise.

ExodusPoint has formed the UK Sub-Adviser, the Jersey Sub-Adviser, the Singapore Sub-Adviser, the Hong Kong Sub Adviser, the Dubai Sub-Adviser, the Puerto Rico Sub-Adviser, the Domestic Sub-Adviser, the Diversified Select Opportunities Sub-Adviser, the Japan Branch, the UK Technology Affiliate, and the Switzerland Research Affiliate (each as defined below) and may form one or more additional entities under common control with ExodusPoint for any number of purposes, including for purposes of transacting or undertaking other investment or research activities or performing other functions in particular jurisdictions or with respect to particular strategies on behalf of the Funds or client accounts.

ExodusPoint has incorporated ExodusPoint Capital Management UK, LLP (the "UK Sub-Adviser"), in the UK, which is a limited liability partnership formed under the UK Limited Liability Partnerships Act 2000. The UK Sub-Adviser is authorized to conduct regulated activities in the UK as a discretionary investment manager and is regulated by the UK Financial Conduct Authority (the "FCA").

ExodusPoint has incorporated ExodusPoint Capital Management Jersey, Ltd (the "Jersey Sub-Adviser"), a private company incorporated under the Companies (Jersey) Law 1991. The Jersey Financial Services Commission has approved the Jersey Sub-Adviser's application for authorization to conduct regulated activities under the Financial Services (Jersey) Law 1998 (as amended) as a discretionary investment manager.

ExodusPoint has incorporated ExodusPoint Capital Management Singapore, Pte. Ltd. (the "Singapore Sub-Adviser") in Singapore, which is a private limited company. The Singapore Sub-Adviser holds a Capital Markets Services license for fund management issued by the Monetary Authority of Singapore ("MAS").

ExodusPoint has incorporated ExodusPoint Capital Management Hong Kong, Limited (the "Hong Kong Sub-Adviser") in Hong Kong, which is a private company limited by shares. The Hong Kong Sub-Adviser is licensed with the Securities and Futures Commission of Hong Kong ("SFC") to provide discretionary investment advisory services.

ExodusPoint has incorporated ExodusPoint Capital Management (DIFC) Limited (the "Dubai Sub-Adviser"), a private company incorporated under the Companies Law, DIFC Law No. 5 of 2018. The Registrar of Companies of the Dubai International Financial Centre has approved the Dubai Sub-Adviser's application for authorization to provide discretionary investment advisory services.

ExodusPoint has incorporated ExodusPoint Capital Management International Holdings, Inc., Japan Branch ("International Holdings" or the "Japan Branch"), as a Delaware corporation.

ExodusPoint has incorporated ExodusPoint Capital Management Puerto Rico, LLC (the "Puerto Rico Sub-Adviser") in the Commonwealth of Puerto Rico, which is a limited liability company.

ExodusPoint has incorporated ExodusPoint Capital Management Domestic, LLC (the “Domestic Sub-Adviser”), in the state of Delaware, which is a limited liability company, and Diversified Select Opportunities Capital Management, LLC (the “Diversified Select Opportunities Sub-Adviser”), in the state of Delaware, which is a limited liability company.

ExodusPoint has formed the following U.S. and non-U.S. ExodusPoint affiliates to provide research support and other services: ExodusPoint Capital Management UK Technologies, Ltd (the “UK Technology Affiliate”) and ExodusPoint Capital Management Switzerland Sàrl (the “Switzerland Research Affiliate”).

ExodusPoint may establish additional offices and/or affiliated entities in other jurisdictions in its sole discretion. ExodusPoint will typically hire certain employees who will work to establish such offices or affiliated entities and seek relevant approvals from local authorities prior to providing material advisory services or other regulated services in such jurisdictions.

While the Funds are currently ExodusPoint’s only clients, the General Partner and ExodusPoint may sponsor, manage or advise other accounts in the form of other privately offered funds, investment vehicles or separately managed accounts. Any such additional accounts may be managed according to strategies that are similar to or materially different from the Funds and may invest alongside the Funds. Such additional accounts may hold the same or opposite positions as the Funds and may trade in advance of or contemporaneously with the Funds. Certain additional accounts may only be exposed to the strategies of certain Portfolio Managers or may be more or less heavily weighted to certain Portfolio Managers. Any such differences likely will result in differentiated performance of those accounts from that of the Funds. The trading of such other accounts may follow a substantially similar investment program as the Funds or overlap in terms of specific investments but may be structured with different expense, compensation and liquidity terms than the Funds or may afford their investors or account holders more transparency to all or a portion of their strategies, exposures or portfolios than is afforded to the investors in the Funds. The existence of such additional accounts may create conflicts of interest for ExodusPoint. ExodusPoint will develop policies and procedures designed to mitigate such conflicts. There are no limitations on the investment or trading strategies pursued or the accounts that may be managed by ExodusPoint and the Portfolio Managers.

## **Item 5: Fees and Compensation**

The General Partner is entitled to performance-based compensation with respect to the Funds, as further discussed in Item 6 “Performance-Based Fees and Side-by-Side Management” below.

The Funds employ an expense-based pass-through model and do not pay a management fee or any other asset-based fee to ExodusPoint or any ExodusPoint affiliates. Rather, each investor (including each investor in the Employee Vehicles) is generally subject to its *pro rata* share of pass through expenses (“Pass Through Expenses”) as further described below.

As a general matter, Pass Through Expenses include (i) all transaction and financing expenses relating to the Funds' investment program, (ii) all organizational, offering and operating expenses (including pre-launch and pre-organization expenses) of the Funds, (iii) any extraordinary expenses of the Funds (including indemnification expenses and legal claims) (the expenses in clauses (i), (ii) and (iii), collectively, "Fund Expenses") and (iv) reimbursement of the General Partner's and ExodusPoint's respective operating expenses, including but not limited to pre-organization expenses, employee base salaries, benefits, retention payments and bonus compensation ("Manager Expenses"). There is no limit on the amount of Pass Through Expenses that may be charged to the Funds which are expected to be substantial over time.

### Fund Expenses

More specifically, Fund Expenses may include without limitation: (i) the Funds' trading related expenses, such as brokerage commissions, financing, interest and borrowing fees and expenses, mark-ups, securities lending fees and expenses, exchange fees and clearing fees, all fees and expenses related to the trading of derivatives, all fees and expenses paid to prime brokers, foreign exchange prime brokers, futures commission merchants and other counterparties, the costs implicit in repurchase and reverse repurchase agreements and all other fees or expenses related to the Funds' trading and investment activities, including net management and incentive fees and allocations of any kind paid to Third-Party Managers or the expenses of investment accounts or vehicles managed by Third-Party Managers or management fees paid to ExodusPoint affiliates (100% of any management fees paid to ExodusPoint affiliates will offset other Pass Through Expenses); (ii) all costs and expenses related to the organization of the Funds and the Employee Vehicles, and the initial offering of the interests in the Funds, as well as all costs and expenses related to the organization of any trading subsidiary; (iii) the Funds' professional expenses, including legal, administrative, accounting, auditing, valuation, tax and regulatory compliance, and consulting expenses (including the fees paid to the administrator, accountants, auditors and other service providers, which are compensated for their services at market rates pursuant to the terms of their relevant engagements), the fees and expenses (including insurance expenses) of the members of the Domestic Feeder Fund's, the Intermediate Fund's and the Master Fund's Advisory Committee, including in connection with meetings and votes thereof, the fees and expenses (including insurance expenses) of the Offshore Feeder Fund's board of directors, consulting fees and costs and expenses relating to regulatory and tax compliance, including costs of regulatory filings relating to the Funds (including, but not limited to, Form ADV, Form 13D, Form 13F, Form 13G, Form 13H, Form CPO-PQR, Form PF and any similar forms in US and non-US jurisdictions and additional regulatory filings that may be required in the future); (iv) expenses relating to the marketing, offering and sale of interests in the Funds, including the fees and expenses of the legal counsel of ExodusPoint relating to the Funds' offering and governing documents, agreements with investors and other legal agreements, as well as the ongoing investor relations and investor servicing and reporting expenses; (v) any fees or expenses charged by proxy voting, class action recovery and monitoring or tax reclamation service providers on behalf of the Funds; (vi) taxes and duties imposed on the Funds or payable in any jurisdiction in connection with the Funds' investing and trading activities or operations as determined by the General Partner, including all expenses incurred by the General Partner (or its designee) in its capacity as "partnership representative;" (vii) all of the expenses and/or liabilities incurred in connection with or arising out of the Funds', the General Partner's or ExodusPoint's activities, including bank fees, indemnification, litigation, arbitration, dispute settlement or other

extraordinary or non-recurring expenses; (viii) all fees and expenses incurred in connection with the maintenance of the Funds' legal existence including all fees, costs, expenses, taxes or other governmental charges; (ix) all expenses associated with holding any meetings of investors or implementing other investor voting or consent procedures; (x) all costs and expenses related to any exchange membership held by or for the benefit of the Master Fund, and all related expenses, including any legal or other third-party fees and expenses incurred in obtaining or maintaining such memberships; (xi) third-party expenses relating to investment research or development of investment strategies, including research grants, along with data feeds and data, risk management, quotation and news services provided by third parties; (xii) license fees for information systems and technology, including for trading systems, compliance and trade surveillance systems, order management systems, risk management systems, investor reporting and data warehousing; (xiii) all expenses associated with the liquidation and wind-down of the Funds and any trading subsidiaries, including the formation and operation of any liquidating trusts or accounts; (xiv) such similar expenses as listed above of any dedicated investment vehicle through which the Principals, certain Portfolio Managers, members of their investment teams or any other employees of ExodusPoint or ExodusPoint affiliates invest in a Fund or the Master Fund; and (xv) the Funds' *pro rata* share of such similar expenses as listed above of any trading subsidiary.

For purposes of clarity, the following expenses of ExodusPoint or any ExodusPoint affiliates are not considered Pass Through Expenses and are not borne by the Funds: (i) the cost of private air travel to the extent it exceeds the comparable cost of first class commercial airfare, (ii) personal expenses unrelated to ExodusPoint or any ExodusPoint affiliate's business incurred by ExodusPoint or its affiliates, such as costs relating to the preparation of the Principals' tax filings, (iii) legal or other expenses incurred as a result of ExodusPoint or any ExodusPoint affiliate's fraud, willful misconduct or gross negligence in respect of the Funds, (iv) costs of employee holiday parties and other purely social offsite events and entertainment, (v) costs of office artwork, (vi) all fees charged by placement agents in connection with their placement of shares in the Funds (which fees may be effected as an offset against Profit Allocations) and (vii) Fund losses due to trade errors that result from fraud, willful misconduct or gross negligence. Any such expenses borne by ExodusPoint or any ExodusPoint affiliates, as opposed to the Funds, will be funded by the Principals and/or be charged against and reduce the compensation otherwise owed to certain senior management personnel of ExodusPoint or any of its affiliates.

### Manager Expenses

Manager Expenses may include without limitation: (i) bonuses (including sign-on, supplemental, retention, discretionary and formulaic bonuses of any kind) paid to employees of ExodusPoint, including (a) bonuses paid to Portfolio Managers based on the gross investment performance of their respective portfolios net of any expenses allocated to such Portfolio Manager in ExodusPoint's sole discretion ("PM Bonuses"), and (b) bonuses paid to non-Portfolio Manager personnel of ExodusPoint (other than the Principals) (together with PM Bonuses, "Employee Bonuses"); (ii) all expenses in connection with the Principals and all employees of the General Partner and ExodusPoint, including, all base compensation and benefits (including, but not limited to, healthcare contributions, premiums and claims, payroll, withholding and similar taxes, workers' compensation contributions, 401(k) matching and profit sharing and similar retirement or savings plan contributions for employees and the Principals and administration fees,



professional dues and professional-development related expenses, the costs of industry conferences, tuition and commuter reimbursement plans, costs relating to resuming in-person work following the COVID-19 pandemic and certain employee perks); (iii) expenses relating to personnel recruiting, retention and severance arrangements of the General Partner or ExodusPoint including the hiring, on-boarding and termination of employees (such as recruitment fees and retainers paid, any internal referral payments, fees and expenses relating to participation at industry-related and professional conferences, professional organization fees, and events, expenses in connection with prospective employees' travel to ExodusPoint's or its affiliates' offices, certain up-front compensation, signing bonuses, relocation expenses, buy-out and retention payments payable to employees and other incentive and compensation plans, including expenses associated with any structures employed to facilitate investment by Portfolio Managers and members of their investment teams in their own respective strategies, and legal expenses related to hiring, counseling and terminating employees); (iv) the General Partner's and ExodusPoint's expenses relating to their professional service providers including legal, administrative, accounting, auditing, valuation, tax compliance and consulting expenses and fees and expenses relating to regulatory compliance matters, including costs of compliance programs, surveillance, regulatory examinations, regulatory or legal inquiries or actions and regulatory filings; (v) any insurance expenses, whether for the benefit of the Funds, the Master Fund, any trading subsidiary, the General Partner, ExodusPoint or their affiliates and employees and the Principals, including but not limited to directors and officers, errors and omissions or cyber-security policies and "key-person" life insurance which protect the Principals and certain employees and affiliates of the General Partner and ExodusPoint and employment and professional liability insurance, in each case if actually purchased; (vi) fees or expenses relating to consultants retained by the General Partner or ExodusPoint for investment and non-investment purposes, including public relations, information technology, software programming, management and other consultants retained by the General Partner or ExodusPoint to improve or further their business; (vii) communication systems expenses, including expenses relating to standard and advanced telecommunications equipment and data transmission lines, including mobile phones and other personal electronic devices and related data plans of the Principals and employees of the General Partner and ExodusPoint; (viii) expenses associated with information systems and technology (both hardware and software, as well as services) developed (including fees and expenses of third parties that assist in such development), or acquired and owned, by the General Partner or ExodusPoint or information systems and technology expenses incurred by the General Partner and ExodusPoint for their middle and back office systems, contact relationship management systems and remote working systems (including both hardware and software), their software development and business continuity and for warehousing data of the General Partner or ExodusPoint; (ix) expenses relating to ExodusPoint's investment research, development of investment strategies, risk management services, data feeds and data services, in each case, if any; (x) expenses relating to furniture and fixtures (such as office furnishings but excluding artwork) and the rent and facilities of the General Partner and ExodusPoint (for the current or future offices established in any jurisdiction by ExodusPoint), including leasehold improvements, security deposits, fees and collateral letters of credit; (xi) investment-related travel and non-investment-related travel (including by the Principals and employees of ExodusPoint between its offices), business entertainment, meals, occupancy expenses incurred by the General Partner and ExodusPoint, including private and commercial air travel expenses (except that the cost of any private air travel, including any reimbursements for travel on a private

aircraft owned by a Principal, will only be charged to the Funds to the extent of the comparable cost of first class commercial airfare); (xii) the General Partner's and ExodusPoint's direct and indirect general operating and administrative expenses, including expenses relating to its general operating assets, the General Partner's and ExodusPoint's initial technological and operational buildout and other expenses borne by the Principals prior to the launch of the Funds related to the establishment and operations of ExodusPoint; (xiii) principal, interest and financing costs incurred in connection with borrowings made by the General Partner or ExodusPoint, except in respect of borrowings directly or indirectly from the Principals; (xiv) any U.S. or non-U.S. federal, state, local, employment, transaction or other taxes or other government filing fees that the General Partner or ExodusPoint is subject to, including taxes related to services provided by any current or future domestic and foreign affiliates of the General Partner or ExodusPoint; (xv) interest and penalties related to any such tax liabilities or other payment obligations (other than interest and penalties due to fraud, willful misconduct or gross negligence by ExodusPoint or current and future affiliates); (xvi) such similar expenses as listed above of any ExodusPoint affiliates, including the costs of organizing, establishing and registering any ExodusPoint affiliates in their relevant jurisdictions, as well as expenses incurred in connection with transfer pricing analyses and amounts received from the Funds in substantiating arm's-length affiliate arrangements, and amounts used to enable such affiliates to establish appropriate capital adequacy buffers, as determined by ExodusPoint, or as may be required by non-U.S. regulators from time to time; and (xvii) any expenses associated with the wind-down of ExodusPoint and the General Partner.

Manager Expenses also include the expenses of current and future ExodusPoint affiliates established in any jurisdiction by ExodusPoint, relating to the Master Fund that are passed through, without duplication, to ExodusPoint pursuant to the terms of the applicable agreements, including expenses incurred in connection with transfer pricing analyses relating to the engagement of such ExodusPoint affiliates established in any jurisdiction, as applicable. Such entities generally receive arm's-length remuneration equal to their costs plus an additional 10% service fee on certain expenses, monthly in arrears. This remuneration will be subject to change based on review of transfer pricing guidelines in each local jurisdiction. A remuneration model of this type supports financial stability and allows these entities to build an appropriate capital buffer and comply with local transfer pricing guidelines. Remuneration of other ExodusPoint affiliates may be structured differently than the remuneration of ExodusPoint and/or these entities.

Certain expenses of ExodusPoint are not considered Pass Through Expenses and are not borne by the Funds (for example, the cost of private air travel to the extent it exceeds the comparable cost of first class commercial airfare). Any such expenses borne by ExodusPoint, as opposed to the Funds, will be funded by the Principals or be charged against and reduce the compensation otherwise owed to certain senior management personnel of ExodusPoint.

Allocations of capital made by the Master Fund to Third-Party Managers are and in the future may be subject to additional expenses and fees not listed above, including management and incentive fees and allocations paid to such Third-Party Managers, bonuses paid to employees of Third-Party Managers and fund- or account-level expenses of funds or accounts managed by

Third-Party Managers. All Fund and account level expenses related to Third Party Managers that are charged to the Funds are treated as “Manager Expenses” listed in the preceding paragraph.

Pass Through Expenses are incurred directly by the Funds or by the General Partner, ExodusPoint, the Principals or employees of ExodusPoint and reimbursed by the Funds without interest. For example, a Principal has and may continue to seek reimbursement for costs associated with his private aircraft (to the extent permitted pursuant to the Funds’ governing documents) when using it for business travel on behalf of ExodusPoint. Any description in this brochure of the expenses that the Funds may bear is not exhaustive and the Funds may be subject to other Pass Through Expenses as determined by ExodusPoint in its sole discretion. ExodusPoint generally allocates any Pass Through Expenses among the Funds, including both Fund Expenses and Manager Expenses, incurred on behalf of the Funds *pro rata* based on the Funds’ respective net asset values but has and in the future may allocate all or a portion of specific Pass Through Expenses on a non-*pro rata* basis if ExodusPoint determines in good faith that such allocation would be more equitable than an allocation on a *pro rata* basis or profits and losses specially allocated to a dedicated investment vehicle established for a Portfolio Manager and his or her investment team and invested in the Master Fund to achieve exposure only to their own strategy.

The General Partner generally allocates all Pass Through Expenses charged to each of the Funds on a *pro rata* basis among the investors based on their respective capital account balances or net asset balances but has and in the future may allocate all or a portion of specific Pass Through Expenses on a non-*pro rata* basis if the General Partner determines in good faith that such allocation would be more equitable than an allocation on a *pro rata* basis.

ExodusPoint will determine (i) the timing of charging Pass Through Expenses to the Funds, including whether to cause the Funds to pay ExodusPoint or the General Partner for estimated Pass Through Expenses before ExodusPoint or the General Partner has paid such Pass Through Expenses, and (ii) the amount of Pass Through Expenses charged to the Funds by ExodusPoint or the General Partner. ExodusPoint’s determinations will be based on a methodology that ExodusPoint, in its sole discretion, believes to be fair and equitable after considering the nature of the expense and related accounting conventions.

If ExodusPoint causes the Funds to pay ExodusPoint or the General Partner for estimated Pass Through Expenses prior to ExodusPoint’s or the General Partner’s paying such Pass Through Expenses, ExodusPoint or the General Partner, as applicable, generally will pay such expenses promptly when due. To the extent ExodusPoint charges the Funds Pass Through Expenses for anticipated expense items that are cancelled or forfeited (such as Employee Bonuses), ExodusPoint (or its Principals) will reallocate such amounts to offset other Pass Through Expenses as soon as practicable. ExodusPoint or the General Partner will apply any interest earned on cash balances of payments received from the Funds but not yet paid out for Pass Through Expenses to offset future Pass Through Expenses.

In general, the Funds pre-pay to ExodusPoint or the General Partner estimated Pass Through Expenses for the upcoming fiscal month. ExodusPoint also has funded and intends to fund the establishment, capitalization and maintenance of any current or future affiliated sub-advisers and to fund security deposits or collateral for letters of credit with respect to office premises of

ExodusPoint and its affiliates. The Funds are permitted to reimburse ExodusPoint or the General Partner, as applicable, for such amounts or pay over such amounts directly.

Accrued Pass Through Expenses, including bonus compensation, reduce the Funds' net asset value and therefore, the amount of proceeds payable to an investor upon any withdrawal from the Funds. A categorized unaudited summary statement of Fund Expenses and Manager Expenses is provided to investors on a semi-annual basis.

Although each of the General Partner and ExodusPoint believes that the terms on which it provides investment-related, research, administrative, accounting, data processing, technology and other services to the Funds (the costs of which are passed through to the Funds and ultimately the investors) are fair, the arrangements among ExodusPoint, the General Partner and the Funds involve inherent conflicts of interest. Please refer to the Funds' governing documents for a detailed description of conflicts of interest related to the determination and allocation of Pass Through Expenses.

ExodusPoint anticipates that any additional client account will be subject to fees and expenses similar to the Funds. Any such fees and expenses will be set forth in the documentation governing such client accounts. However, as noted in Item 6, certain additional client accounts may be subject to different fee and expense structures which will result in ExodusPoint facing conflicts of interest in managing multiple client accounts and allocating expenses among them. ExodusPoint's policies and procedures are designed to mitigate such conflicts.

If ExodusPoint manages accounts in addition to the Funds, it is anticipated that certain Pass Through Expenses will be for services shared by the Funds and such accounts. ExodusPoint will allocate such Pass Through Expenses on a *pro rata* basis based on (i) the relative benefit that each account receives from such Pass Through Expenses, (ii) the extent of each account's utilization of the service associated with the Pass Through Expense or (iii) the association of the Pass Through Expense with particular obligations of one or more accounts. For accounts that receive the same or similar benefits from a given Pass Through Expense, ExodusPoint anticipates that such a Pass Through Expense will be allocated among such accounts on a *pro rata* basis based on their relative net asset values or equivalents. However, there have been and in the future may be instances where the allocation of Pass Through Expenses among such accounts may be more appropriately made on a non-*pro rata* basis or specifically to a single client or account. In many instances, the allocation of Pass Through Expenses among client accounts will involve the subjective judgment of ExodusPoint in determining whether and to what extent the Funds and/or other accounts benefit from certain Pass Through Expenses. ExodusPoint will face conflicts of interest in making such allocation decisions (due to internal investment in a particular account, differing performance compensation rates between accounts, differing expense structures between accounts or other reasons) and there may be alternative allocations of Pass Through Expenses that would also be reasonable. Allocations of Pass Through Expenses will be based upon assumptions and estimates made by ExodusPoint, which may result in differing allocations of Pass Through Expenses than would be the case if exact figures were employed. While ExodusPoint will allocate such expenses in good faith in accordance with its expense allocation policies and procedures, there can be no assurance that any Pass Through Expense will be allocated in a particular manner.

ExodusPoint and its personnel can be expected to receive certain personal benefits and/or “perks” arising or resulting from their activities on behalf of the Funds that will not otherwise be shared with the Funds. For example, airline travel or hotel stays incurred as Pass Through Expenses typically result in certain benefits such as cash rebates, “miles,” or credit card “points” under credit card loyalty/status programs. Such benefits and/or amounts will, whether or not de minimis or difficult to value, inure exclusively to ExodusPoint personnel (and not to the Funds) even though the Funds will be bearing the underlying expenditures as Pass Through Expenses. Similarly, when acting on behalf of the Funds, ExodusPoint’s personnel may become aware of business or other opportunities for personal benefit. While ExodusPoint has established policies and procedures that seek to prevent its personnel from benefitting from their positions to the Funds’ detriment, such personnel may be faced with conflicts of interest when representing the Funds and may from time to time receive personal benefits that are ancillary to their position with ExodusPoint.

In addition, from time to time, ExodusPoint or its affiliates may elect in their sole discretion to bear all or a portion of certain Pass Through Expenses that would otherwise be borne by the Funds. Any such determination by ExodusPoint or its affiliates is completely voluntary and will not obligate ExodusPoint or its affiliates to bear all or a similar portion of such Pass Through Expense in the future. If ExodusPoint or an affiliate bears all or a portion of a given Pass Through Expense, it may elect not to bear such amounts or to bear different amounts in the future, in which case such Pass Through Expense not borne by ExodusPoint or its affiliate will be charged to the Funds. Investors in the Funds should not have any expectation that any reimbursement by ExodusPoint or its affiliates of all or a portion of a Pass Through Expense will be repeated to the same extent in the future.

Neither ExodusPoint, its affiliates, nor any of its supervised persons accept compensation (*e.g.*, brokerage commissions) for the sale of securities or other investment products.

#### Service Providers

ExodusPoint and its affiliates identify, review and engage third-party service providers (including recruiting, tax, accounting, legal and other professional services) on behalf of themselves or the Funds utilizing a number of qualitative and quantitative factors, including but not limited to quality of service, responsiveness, experience, reputation, confidentiality and cost. ExodusPoint weighs such factors in its sole discretion and negotiates overall service levels, terms and fees relative to such evaluative factors. ExodusPoint has engaged and is likely to engage in the future certain service providers based primarily on quality of service. There can be no assurance that any particular set of terms, including fees, are at least as favorable to ExodusPoint or the Funds as another service provider may be willing to accept. ExodusPoint has and in the future may utilize third-party service providers that are owned by or that employ friends or family members of the Principals or employees of ExodusPoint to perform recruiting and/or brokerage, investment banking, tax, accounting, legal or other professional services and does utilize third-party recruiting firms that employ friends or family members. Such service providers may benefit, directly or indirectly, from such business relationships. In each such case ExodusPoint seeks to hire such third-parties on market terms based on their merit and an evaluation of the

factors noted above rather than based on any relationship that ExodusPoint personnel may have with any such service provider. Fees paid to third-party service providers will be borne by investors in the Funds as Pass Through Expenses.

#### Employees with Familial Relationships

ExodusPoint's policies do not prohibit it from hiring employees who have familial relationships with the Principals or current employees. ExodusPoint has hired and may in the future hire employees who are related to the Principals or other employees. In making personnel decisions relating to such hires, ExodusPoint will be faced with conflicts of interest in terms of the hiring decision, ongoing supervision and determining such employees' base and bonus compensation which (unless determined otherwise by the Principals) is ultimately borne in whole or in part by investors in the Funds as a Pass Through Expense. ExodusPoint has implemented policies and procedures reasonably designed to mitigate the conflicts of interest posed by such familial relationships.

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

The General Partner will receive substantial performance-based allocations ("Profit Allocation") if the Funds generate net capital appreciation for investors. Investors should note that (i) the fact that the Profit Allocation is allocated only in respect of net capital appreciation may create an incentive for ExodusPoint to make investments that are riskier or more speculative than would be the case if the General Partner were compensated solely based on a flat percentage of assets under management and (ii) the General Partner may receive increased allocations because the Profit Allocation is calculated on a basis that includes unrealized appreciation as well as realized gains. If the General Partner receives a Profit Allocation in any year and a capital account subsequently suffers a net loss, the General Partner will be entitled to retain any and all Profit Allocations previously allocated to it in respect of such capital account notwithstanding such net loss.

ExodusPoint has waived, and expects to waive or reduce in the future, the Profit Allocation for the Principals, Portfolio Managers and members of their investment teams (other than Third-Party Managers), other employees of ExodusPoint and family members of such persons and their estate planning, charitable or other vehicles. ExodusPoint may waive or reduce in the future the Profit Allocation for Third-Party Managers, their investment teams, family members of such persons and their estate planning, charitable or other vehicles.

The Funds managed by ExodusPoint have and in the future may issue interests in different classes, tranches or series (collectively, "Series"), subject to different terms and conditions of investment. Different Series are and in the future may be subject to different Profit Allocation rates and other terms. Such Series and the corresponding Profit Allocation rates are described in the relevant governing documents. Please refer to the Funds' governing documents for a more detailed description of Profit Allocations.

ExodusPoint currently does not, but may in the future, advise other client accounts differing from the Funds in certain ways, including, but not limited to, investment strategy, that may be subject

to different fees than the Funds. Performance-based allocations or incentive fees on separately managed accounts or other funds may be negotiated on a case-by-case basis. Such performance-based fees will be described in the relevant documents for such other accounts. ExodusPoint or its affiliates may also manage funds or accounts which do not pay performance-based compensation to ExodusPoint but rather pay only an asset-based fee. In such event, ExodusPoint will have an incentive to favor funds and accounts which pay performance-based fees over funds and accounts which do not pay performance-based fees. ExodusPoint's policies and procedures, including trade allocation policies, are designed to mitigate such conflicts.

Finally, each Fund will be audited by PricewaterhouseCoopers LLP, which will perform, as part of its audit, valuation testing on certain Fund assets and expense testing in connection with issuing the relevant audit opinion.

## **Item 7: Types of Clients**

ExodusPoint provides investment advisory services to the Funds. Investment advice is provided directly to the Funds and not individually to the investors in the Funds. Investors in the Funds and other client accounts include, but are not limited to, one or more of the following: high net worth individuals, family offices, fund of hedge funds, endowments, foundations, trusts, charitable organizations, pension plans, sovereign wealth funds and corporate or business entities.

Details concerning applicable investor suitability criteria are set forth in the respective Funds' governing documents and subscription materials. The minimum investment for an investor is outlined in the respective Funds' governing documents but is generally \$5 million. However, ExodusPoint and/or the General Partner maintain discretion to accept less than the minimum investment threshold.

Certain of the Funds admit only investors that are "accredited investors" within the meaning set forth in Regulation D under the Securities Act of 1933 and "qualified purchasers" or "knowledgeable employees" as defined in Section 2(a)(51) of the Investment Company Act. Certain other Funds require investors to meet certain suitability qualifications, such as being (i) non-"United States persons" and (ii) tax-exempt US investors that are both (A) "accredited investors" under SEC Regulation D of the Securities Act of 1933 and (B) "qualified purchasers," as defined in Section 2(a)(51)(A) of the Investment Company Act of 1940, as amended. It is anticipated that any future pooled investment vehicle managed by ExodusPoint will have similar eligibility standards as the Funds. Also, it is anticipated that any of ExodusPoint's separately managed account clients will also be "qualified purchasers."

### Agreements with Investors

The Funds, the General Partner and/or ExodusPoint have and in the future may enter into agreements with certain investors in the Funds that provide for terms of investment that are more favorable to or otherwise different from the terms described in the governing documents. Such terms may include: the provision of additional information or reports, more favorable transfer

rights among affiliated investors or undertakings designed to address legal, regulatory or other internal policy considerations relevant to such investor. However, to date, such terms have not included profit allocation, fee or liquidity terms that are preferential (taken as a whole) to the terms described in the Funds' governing documents. No such agreement will necessarily entitle any other investor to the same terms of investment, nor will any other investor have any recourse against the Funds, the General Partner, ExodusPoint and/or any of their affiliates in the event that certain investors receive additional and/or different rights and/or terms as a result of such arrangements.

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

### Investment Strategies

The investment objective of the Funds is to consistently generate attractive, risk-adjusted returns in all market environments and to preserve investor capital. ExodusPoint seeks to achieve the investment objective of the Funds by allocating substantially all of the assets of the Funds to the discretionary investment authority of a number of Portfolio Managers that employ a wide range of investment strategies including (but not limited to): systematic and quantitative strategies, relative value fixed income, credit, event-driven, fundamental long/short equity and global macro. ExodusPoint has complete discretion to select and allocate capital among investment strategies and Portfolio Managers and may cause the Funds to invest in any additional investment strategies not listed above in its own discretion. For example, the Funds may invest in merger arbitrage, distressed credit, convertible arbitrage, structured credit and other related investment strategies. Details regarding investment and other risks related to an investment in the Funds are set forth in the Funds' governing documents.

The Funds are permitted to invest in all manner of financial instruments, including (but not limited to) equities, preferred stocks, warrants, fixed income instruments, any currency or any contract for future or forward delivery of any security, commodity or currency, any contract (including notional principal contracts) based on any security, securities or currency index or group of securities or currencies, any option on any contracts referred to herein, any derivatives of any of the securities referred to herein (including without limitation swaps relating thereto and foreign exchange derivatives), any evidence of indebtedness, private placement and securities purchase agreements, securities issued by private companies, shareholders' agreements, credit-related instruments, credit default swaps, collateralized loan obligations, credit derivatives of all types, bespoke loan securitizations, mineral interests, exchange-traded funds, exchange-traded notes, master limited partnerships, royalty trusts, mortgage securities, mortgage loans and REITs, virtual currencies (including interests in funds or trusts holding virtual currencies), repurchase agreements, reverse repurchase agreements, securities lending and hypothecation agreements, counterparty agreements, all other forms of investment, financial and commercial agreements, contracts and undertakings, bespoke and index tranching and untranching credit products, synthetic instruments and instruments accessing related indices and bespoke indices, and any other such instrument to effectuate its investment strategies. The Funds invest on both a cash and synthetic basis and take short positions for both speculative and hedging purposes. ExodusPoint causes the



Funds to incur substantial leverage in executing the investment program through both cash and synthetic borrowings, margin financing and any leverage embedded in any instrument or derivative that is held by the Funds.

ExodusPoint anticipates that any additional client accounts may implement all or certain of the strategies that it implements on behalf of the Funds, although ExodusPoint may develop new strategies that are implemented on behalf of additional client accounts but are not implemented on behalf of the Funds.

### Risk Management

As part of ExodusPoint's risk management program, as appropriate, it intends to subject each Portfolio Manager to specific guidelines regarding net market exposure, position size, geography, market capitalization, liquidity and the overall investment universe with respect of his or her portfolio. Portfolio Managers are generally subject to additional limitations on drawdowns and concentrations. Such guidelines and limitations can evolve over time in ExodusPoint's sole discretion based on ExodusPoint's view of market conditions, the Funds' overall portfolio and the Portfolio Manager's past or potential performance. ExodusPoint uses proprietary and third-party systems to monitor risk data on an ongoing basis on both a Portfolio Manager portfolio level and on a Funds-wide basis.

### Risks

ExodusPoint's clients consist of private investment funds. Acquiring an interest in a private investment fund involves a number of risks, including complete loss of investment. Such investments are speculative and not intended as a complete investment program. They are designed for sophisticated investors who fully understand and are capable of bearing the risk of loss of their investment. ExodusPoint makes no guarantee or representation that the Funds will achieve their investment objective or that investors in the Funds will not experience a loss of their capital.

The investment strategies used on behalf of the Funds entail substantial risks, including, but not limited to, those listed below. Further risk factors are listed in the confidential governing documents of the Funds. ExodusPoint anticipates that any additional client accounts that it manages will be subject to some or all of the risks set forth below.

### ***General Risks***

*Financing Arrangements; Availability of Credit.* ExodusPoint's use of substantial leverage on behalf of the Funds depends on the availability of credit in order to finance the portfolio. There can be no assurance that the Funds will be able to maintain adequate financing arrangements under all market circumstances. As a general matter, the banks and dealers that provide financing to the Funds can apply essentially discretionary margin, haircut, financing, security and collateral valuation policies. Changes by banks and dealers in such policies, or the imposition of other credit limitations or restrictions, whether due to market circumstances or governmental, regulatory or judicial action, may result in margin calls, loss of financing, forced liquidation of

positions at disadvantageous prices, termination of swap and repurchase agreements and cross defaults to agreements with other dealers. Any such adverse effects may be exacerbated in the event that such limitations or restrictions are imposed suddenly and/or by multiple market participants at or about the same time. The imposition of such limitations or restrictions could compel the Funds to liquidate all or part of the portfolio at disadvantageous prices.

*No Formal Diversification Requirements.* While ExodusPoint implements a general risk management framework, it is not restricted as to the percentage of the Funds' assets that may be invested with any Portfolio Manager or in any particular country, asset class, issuer, instrument, market or strategy. The governing agreements of the Funds, as well as the investment management agreement between ExodusPoint and the Funds, do not impose any formal fixed requirements for diversifying the Funds' portfolios among countries, asset classes, issuers, instruments, markets or strategies. ExodusPoint has full discretion to allocate capital among strategies and Portfolio Managers and may determine to concentrate such capital in particular strategies or with Portfolio Managers from time to time or not allocate capital to particular strategies or Portfolio Managers. At any time, a significant portion of the Funds' returns may be generated by a limited number of Portfolio Managers. The Portfolio Managers themselves may implement highly concentrated investment strategies. Such investment concentrations may increase volatility and cause the Funds to incur greater losses than would be the case if a Portfolio Manager implemented a more diversified portfolio. This may be especially true during periods of market dislocation or volatility. Even when ExodusPoint is seeking to diversify the Funds' portfolio, certain risks may be correlated in unanticipated ways, resulting in unintended risk exposures.

*No Material Limitations on Strategies.* There are no substantive limitations on the strategies that may be employed on behalf of the Funds. ExodusPoint will opportunistically implement whatever strategies it believes from time to time may be best suited to prevailing market conditions and to ExodusPoint's investment approach, expertise and personnel. Such strategies may involve higher levels of risk than the ones discussed herein. There can be no assurance that ExodusPoint will be successful in applying any strategy to the Funds' investing.

*Evolving and New Investment Strategies.* ExodusPoint's strategies are expected to evolve. ExodusPoint is not restricted from using the Funds' capital to develop or incubate new strategies or hire additional Portfolio Managers that utilize different strategies, even if ExodusPoint or the relevant Portfolio Manager has limited experience in the type of strategy or in the markets or instruments involved. The approaches and strategies developed by ExodusPoint and the Portfolio Managers may not be successful and the resources devoted to the implementation of new approaches or strategies may diminish the effectiveness of ExodusPoint's or a Portfolio Manager's implementation of established strategies.

*Potential Inability to Trade, Report or Manage Risk Due to Systems Failure.* The strategies implemented on behalf of the Funds are dependent to a significant degree on the proper functioning of ExodusPoint's internal and external computer, communication and information technology systems. Further, ExodusPoint conducts its operations on behalf of the Funds in numerous offices around the world, each of which rely upon the proper functioning of ExodusPoint's global technology infrastructure. Accordingly, systems failures, whether due to

third-party failures upon which such systems are dependent or the failure of ExodusPoint's or a third-party's hardware or software, could disrupt trading or make trading impossible until such failure is remedied. Any such failure, and consequential inability to trade or manage risk (even for a short time), could, in certain market conditions, cause the Funds to experience significant trading losses, to miss opportunities for profitable trading or to become exposed to particular risk exposures. Any such systems failures also could cause delays in generating reports for investors.

*Disruption of Business.* Although the General Partner and ExodusPoint have disaster recovery plans, there can be no assurance that interruptions caused by extraordinary events outside of the control of the General Partner and ExodusPoint, including acts of God (e.g., fire, flood, earthquake, storm, hurricane, other natural disaster, pandemics or epidemics), acts of war (e.g., war, actual or threatened invasion, acts of foreign enemies, hostilities, insurrection, or terrorist activities, whether war is declared or not), and financial system disruptions (e.g., bankruptcy filing or operational failure by a major financial institution, including a bank, broker-dealer, clearing agent, administrator, investment manager or securities or derivatives exchange), would not have an adverse effect on the Funds or their investment program. Such disruptions could result in adverse effects on the Funds' operations, the value of their investments and the ability of the Funds to trade their portfolios.

*Cybersecurity Breaches.* ExodusPoint and the Funds, like all businesses dependent on information technology systems, are subject to risks associated with a breach in cybersecurity. Cybersecurity is a generic term used to describe the technology, processes and practices designed to protect networks, systems, computers, programs and data from "hacking" by other computer users, other unauthorized access and the resulting damage and disruption of hardware and software systems, loss or corruption of data, as well as misappropriation of confidential information. If a cybersecurity breach occurs, the Funds may incur substantial costs (on behalf of the Funds or ExodusPoint), including those associated with: forensic analysis of the origin and scope of the breach, increased and upgraded cybersecurity, investment losses from sabotaged trading systems, identity theft, unauthorized use of proprietary information, litigation, adverse investor reaction, the dissemination of confidential and proprietary information, and reputational damage. Breaches in cybersecurity during the Funds' trading could also result in investor information being hacked by foreign nations, which could result in losses to the Funds. Any such breach could expose the General Partner, ExodusPoint and the Funds to civil liability, as well as regulatory inquiry and/or action. Any such breach could also cause substantial withdrawals from the Funds. In addition, investors could be exposed to further losses as a result of unauthorized use of their personal information.

None of ExodusPoint, the General Partner or the Funds have purchased cybersecurity insurance coverage to protect ExodusPoint, the General Partner or the Funds against losses from unauthorized penetration of information technology systems, employee theft of investor and/or private information or liability for third-party vendors who mishandle information. Notwithstanding the foregoing, ExodusPoint, the General Partner or the Funds may, but have no obligation to, purchase cybersecurity insurance coverage in the future. However, there can be no guarantee that every potential loss due to cyber-attack or theft of information could be insured against, nor that the limits of any insurance policy that may be acquired would be sufficient to cover all such losses.

*Remote Employees.* ExodusPoint permits the Principals and certain employees to work remotely. In order for remote work to be successful, ExodusPoint's technologies and other operational infrastructures must function properly. Any failure in the proper functioning of such technologies or other operational infrastructures could disrupt such employees' and the Principals' abilities to adequately carry out their functions, which may result in losses to the Funds.

*Exchange Membership.* In order to reduce certain transaction costs borne by the Funds, ExodusPoint has caused the Master Fund to become a member of several U.S. futures exchanges ("Exchanges"), including the Chicago Mercantile Exchange and the Chicago Board of Trade. ExodusPoint may apply or cause the Master Fund to apply for membership in other exchanges in the future to reduce transaction costs or for other similar reasons. Such memberships subject the Master Fund to exchange-specific regulations and other obligations, in addition to the associated costs of membership. Exchanges frequently revise and interpret their rules and such revisions and interpretations could materially adversely affect the Master Fund.

### ***Market Risks***

*Market Risks in General.* The Funds' strategies will always be subject to a substantial dimension of market risk, including, but not limited to directional price movements, deviations from historical pricing relationships, changes in the regulatory environment, changes in market volatility, changes in credit spreads, equity prices, commodity prices, foreign exchange rates, "flights to quality", "junk rallies" and "credit squeezes." Price movements are influenced by many unpredictable factors, such as market sentiment, momentum, inflation rates, interest rate movements and general economic and political conditions both inside and outside the markets where the Funds will invest. The Funds' style of alternative investing (including the use of relative value investing) may be no less speculative than traditional investing strategies. On the contrary, alternative investment strategies have from time to time incurred sudden and dramatic losses.

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

*Volatility.* The prices of certain instruments traded by the Funds have been subject to periods of excessive volatility recently and in the past, and such periods can be expected to continue or recur. Certain instruments the Funds will trade in the future also are likely to be subject to periods of volatility. While volatility can create profit opportunities for the Funds, it can also create the specific risk that historical or theoretical pricing relationships will be disrupted, and may cause what should otherwise be comparatively low risk positions to incur losses. Price movements are influenced by many unpredictable factors, such as market sentiment, inflation rates, interest rate movements and general economic and political conditions. In addition, the evolution of information technology, social media and brokerages can alter the values of, and relationships between, securities, thereby affecting the volatility and profitability of some trading strategies. For example, the expanded influence of social media platforms on the market, combined with

access to costless retail brokerage, has exacerbated the volatility of particular issuers in certain instances.

*Effect of Speculative Position Limits.* The CFTC and Exchanges impose limits referred to as “speculative position limits” on the maximum net long or net short speculative positions that any person may hold or control in any particular futures or options contract traded on the Exchanges. The Funds could be required to liquidate futures or swaps positions or may not be able to fully implement their trading strategies in order to comply with position limits.

*Sanctions Risks.* Like all investors, the Funds are subject to laws that restrict it from dealing with entities, individuals, organizations and/or in investments which are subject to applicable sanctions regimes. Such sanctions regimes may be broad in their application and the interpretation of the application of such regimes may require a substantial degree of subjective judgment, forcing the Funds to either cease certain trading activities or risk violating a sanctions regime. If an investment made by the Funds subsequently becomes subject to applicable sanctions, the Funds may be required, without notice to investors, to divest from such investment or otherwise cease any further dealings in that investment until the applicable sanctions are lifted or a license is obtained under applicable law to continue such dealings. Any such sanctions could have an adverse effect on the value or liquidity of such investments. In certain cases, the imposition of sanctions may require the Funds to liquidate investments at disadvantageous prices or result in the Funds being unable to liquidate their investments.

*Political Uncertainty.* Some of the results of elections and referenda in recent years in the United States, Europe, India, Latin America and other developed and emerging markets have been unexpected and resulted in material market changes and increases in market uncertainty. The foregoing changes in political regimes have in some cases destabilized long-held treaties and customs between nations leading to further market instability in both developed and emerging countries. Given changes in administrations and applicable law following these votes, the future of current regulations, or the adoption of new regulations, is also uncertain. These uncertainties may have adverse impacts on, or alternatively create investment opportunities for, the Funds.

In addition, political changes and social instability in China could result in the imposition of government restrictions, including expropriation of assets, confiscatory taxes or nationalization of some or all of the property held by the underlying issuers of the Chinese securities. The laws, regulations, government policies and political and economic climate in China may change with little or no advance notice.

*Risk of Natural Disasters, Epidemics, Pandemics, Terrorist Attacks and International Hostilities.* Countries and regions in which the Funds invest, where ExodusPoint has offices or where the Funds or ExodusPoint otherwise do business are susceptible to natural disasters (e.g., fire, flood, earthquake, storm and hurricane) and epidemics, pandemics (e.g., COVID-19) or other outbreaks of serious contagious diseases. The occurrence of a natural disaster, epidemic or pandemic could adversely affect and severely disrupt the business operations, economies and financial markets of many countries (even beyond the site of the natural disaster or epidemic) and could adversely affect the Funds’ investment programs or ExodusPoint’s ability to do business. The impact of infectious diseases on the health of ExodusPoint’s employees could materially disrupt ExodusPoint’s business activities and negatively affect ExodusPoint’s ability to effectively

monitor and manage the Funds' portfolio and operate the Funds in general. Infectious diseases or other public health crises can result in volatility in financial markets, which may disrupt historical pricing relationships or trends that ExodusPoint's strategies and models are based on, resulting in substantial and sudden losses to the Funds. This risk of loss can be compounded by the fact that in disrupted markets positions may become illiquid and financing might become unavailable. Volatility may also make it more difficult or costly to rebalance portfolios or keep them within investment guidelines or targets. These events could also restrict travel, including investment-related travel, thus reducing the proficiency of the investment ideas of investment personnel.

In addition, terrorist attacks, or the fear of or the precautions taken in anticipation of such attacks, could, directly or indirectly, materially and adversely affect certain industries in which the Funds invest or could affect the countries and regions in which the Funds invest, where ExodusPoint has offices or where the Funds or ExodusPoint otherwise do business. Other acts of war (e.g., war, actual or threatened invasion, acts of foreign enemies, hostilities and insurrection, regardless of whether war is declared) could also have a material adverse impact on the financial condition of industries or countries in which the Funds invest. Specifically, Russia's invasion of Ukraine in February 2022 and the resulting conflict has caused significant instability in global financial markets and has increased the threat of cyberattacks, nuclear incidents and further escalation of geopolitical tensions. The invasion has also led to multiple countries imposing economic sanctions and enhanced export controls on the activities of certain individuals and Russian entities and to numerous market participants voluntarily ceasing, suspending or reducing business with counterparties connected to Russia. Global and local macroeconomic impacts, including increased inflationary pressures, volatility in the price and supply of energy and other commodities, disruption to supply chains, economic pressure caused by movement of displaced persons and significant uncertainty in the commercial, legal and political environment are likely to further adversely impact individuals and businesses. The nature and duration of impacts of these types of events on the business of the Funds, ExodusPoint and the Funds' investments are difficult to predict, but could be both severe and long-lasting. Adverse impacts could include increased operating costs (as a result of increased energy and commodity prices, among other things) and foreign exchange risk, increased funding costs or reduced access to credit, disruption to supply chains, reductions in revenue and valuations of investments and adverse impacts on the operating margins of the Funds' investments. These factors could severely impact ExodusPoint's operations and/or the Funds' investments and overall performance.

*Financial Institution Risk.* Actual events involving reduced or limited liquidity, defaults, non-performance or other adverse developments that affect financial institutions or other companies in the financial services industry, including banks and other custodians of an investor's funds and securities, or impact the financial services industry generally, as well as concerns or rumors about any events of these kinds, have in the past and may in the future lead to market-wide liquidity problems, defaults on financial obligations, non-performance of contractual obligations and other adverse impacts on these financial institutions, investors that deposit funds and securities at these institutions, lenders and borrowers of these institutions, and other companies in the financial services industry. For example, on March 10, 2023, Silicon Valley Bank, was closed by the California Department of Financial Protection and Innovation, which appointed the Federal Deposit Insurance Corporation as receiver. Investor concerns regarding the U.S. or international financial systems could result in less favorable commercial financing terms, including higher

interest rates or costs and tighter financial and operating covenants, or systemic limitations on access to credit and liquidity sources, thereby making it more difficult to acquire financing on acceptable terms or at all. Any decline in available funding or access to cash and liquidity resources could, among other risks, adversely impact the ability to meet operating expenses, satisfy financial obligations, liquidate portfolio holdings, withdraw capital or fulfill other obligations, or result in breaches of financial and/or contractual obligations. Any of these impacts, or any other impacts resulting from the factors described above or other related or similar factors not described above, could have material adverse impacts on portfolio holdings, Fund performance or business operations.

*MiFID II.* The European Union Markets in Financial Instruments Directive (Directive 2014/65/EU) and Markets in Financial Instruments Regulation (Regulation (EU) No 600/2014) (together, “MiFID II”) govern the provision of investment services and activities in relation to, as well as the organized trading of, financial instruments such as shares, bonds, units in collective investment schemes and derivatives. MiFID II was required to be implemented in EU member states from January 3, 2018. Although the Funds are not organized in the EU, and are not authorized or regulated by any EU member state financial services regulator, certain aspects of MiFID II may have an impact on the Funds.

MiFID II imposes certain restrictions as to the trading of shares and derivatives, which could apply to transactions made by or with the Funds. Subject to certain conditions and exceptions, the Funds may be unable to trade shares or derivatives with or through affected EU regulated firms (*e.g.*, EU broker-dealers) other than as provided by MiFID II. MiFID II also applies position limits to the size of a net position that a person can hold at all times in commodity derivatives traded on EU trading venues and in “economically equivalent” over-the-counter (“OTC”) derivatives.

More generally, EU regulated firms that have trading relationships with the Funds may be obliged by MiFID II to impose certain requirements on the Funds, or they may seek to do so contractually, with a view to satisfying their own compliance obligations. It is difficult to predict the full impact of MiFID II on the Funds. Prospective investors should also be aware that there may be costs (whether direct or indirect) of compliance with MiFID II.

The UK has equivalent rules to those in MiFID II. Accordingly, although the Funds are not organized in the UK, and is not authorized or regulated by the UK FCA, similar consequences to those discussed above would arise when trading with or through UK regulated firms and/or holding positions in commodity derivatives traded on UK trading venues and in economically equivalent OTC derivatives.

*European Market Infrastructure Regulation.* The European Market Infrastructure Regulation (Regulation (EU) No 648/2012) (“EMIR”) entered into force on August 16, 2012. EMIR introduced certain requirements in respect of derivative contracts, which apply primarily to “financial counterparties” (“FCs”) such as EU authorized investment firms, credit institutions, insurance companies, UCITS and AIFs as well as non-EU AIFs which are managed by AIFMs authorized under AIFMD. EMIR also applies to “non-financial counterparties” (“NFCs”) which are entities established in the EU which are not FCs. NFCs whose transactions in OTC derivative contracts exceed EMIR’s prescribed clearing thresholds (“NFC+s”) are generally subject to more

stringent requirements under EMIR than NFCs whose transactions in OTC derivative contracts do not exceed such clearing thresholds (including because such contracts are excluded from the threshold calculation on the basis that they are concluded in order to reduce risks directly relating to the NFC's commercial activity or treasury financing activity) ("NFC-s"). Additionally, amendments made to EMIR in 2019 introduced relief from central clearing requirements for those FCs which do not exceed prescribed clearing thresholds ("FC-s"). FCs which do exceed such clearing thresholds are referred to hereafter as "FC+s".

Broadly, EMIR's requirements which apply to derivative users in respect of derivative contracts include: (i) mandatory clearing of OTC derivative contracts declared subject to the clearing obligation; (ii) risk mitigation techniques in respect of uncleared OTC derivative contracts, including the bilateral exchange of collateral; and (iii) reporting and record-keeping requirements in respect of all derivative contracts.

As the Funds are established outside the EU and is not managed by an AIFM authorized under AIFMD, the Funds are not directly subject to the requirements of EMIR; however, where the Funds transact with in-scope EU counterparties, such counterparties may be required to apply certain provisions of EMIR so that the EU counterparty can fulfill its regulatory obligations and ensure that the transaction is EMIR-compliant. Where certain thresholds are exceeded, the cost of complying with EMIR, especially the cost of collateral required to meet variation and initial margin requirements associated with OTC transactions and clearing and the risk mitigation measures, may materially impact the Fund's returns and its ability to trade with certain counterparties.

The EU regulatory framework and legal regime relating to derivatives is set out not only by EMIR but also by MiFID II. In particular, MiFID II requires transactions between FC+s and NFC+s in certain sufficiently liquid OTC derivatives to be executed on a trading venue which meets the requirements of the MiFID II regime (the "Derivatives Trading Obligation" or "DTO"). This trading obligation will also extend to FC+s and NFC+s which trade with third country counterparties that would be classed as FC+s or NFC+s if they were established in the EU.

Prospective investors should be aware that the costs of complying with the requirements of EMIR and MiFID II could significantly raise the costs of entering into derivative contracts and that EMIR may adversely affect the Fund's ability to engage in certain transactions in derivatives.

The UK has equivalent rules to those in EMIR ("UK EMIR") since EMIR has been retained as UK law by the EUWA and also UK rules equivalent to that of the DTO under MiFID II ("UK DTO"). As the Funds are established outside the UK and are not managed by a UK AIFM (as defined in the FCA Handbook), the Funds are not directly subject to the requirements of UK EMIR or the UK DTO. However, where the Funds transact with in-scope UK counterparties, such counterparties may be required to apply certain provisions of UK EMIR so that the UK counterparty can fulfill its regulatory obligations under UK EMIR and the UK DTO. As a result, the Funds may be subject to additional contractual obligations and/or costs that may not otherwise have applied.

Regulation (EU) No 236/2012 on Short Selling and Certain Aspects of Credit Default Swaps (as supplemented by Commission Delegated Regulations 918/2012, 919/2012, 826/2012 and



Commission Implementing Regulation 827/2012) (the “SSR”) applies directly (*i.e.*, without national implementation) in all member states of the EU. The SSR imposes certain private and public disclosure obligations on all natural or legal persons, irrespective of regulatory status, located inside or outside the EU, who have net short positions (as calculated in accordance with the SSR) in EU listed shares and EU sovereign debt, which reach or fall below the specified thresholds. The SSR also contains prohibitions on uncovered short sales of EU listed shares and EU sovereign debt (a short sale is “uncovered” unless the specified conditions under the SSR are met for such short sale). In addition, the SSR prohibits uncovered positions in CDS referencing EU sovereign debt issuers. National regulators, and in certain circumstances the European Securities and Markets Authority (“ESMA”), are able to take certain additional emergency measures (including complete bans on short-selling activities) if certain conditions are met. The SSR may prevent the Portfolio Managers and ExodusPoint from fully expressing negative views in relation to EU listed shares and/or EU sovereign debt and may also restrict the ability of the Portfolio Managers and ExodusPoint to hedge certain risks through EU sovereign CDS. Accordingly, the ability of the Portfolio Managers and ExodusPoint to implement the investment approach and to fulfill the investment objective of the Funds may be constrained. For the purposes of this provision, “EU listed shares” means shares admitted to trading on a regulated market or multilateral-trading facility (as defined in MiFID) in the EU, unless the principal trading venue (as determined by the relevant national regulator) for the relevant shares is located in a country outside the EU; “EU sovereign debt” means debt instruments issued by an EU sovereign issuer (which includes EU institutions, governments of EU member states and certain international institutions established by two or more EU member states); and “MiFID” means Directive 2014/65/EU on Markets in Financial Instruments. The UK has equivalent rules that apply to UK listed shares, UK sovereign debt and UK sovereign CDS, *mutatis mutandis* (“UK SSR”), since the SSR has been retained as UK law by the European Union (Withdrawal) Act 2018. Accordingly, the UK SSR may prevent the Portfolio Managers and ExodusPoint from fully expressing negative views in relation to UK listed shares and/or UK sovereign debt and may also restrict the ability of the Portfolio Managers and ExodusPoint to hedge certain risks through UK sovereign CDS.

### ***Risks Relating to the Funds’ Investment Techniques***

***Decentralized Capital Management.*** ExodusPoint employs a multi-portfolio manager strategy and each Portfolio Manager invests independently of the others. There can be no assurance that the use of a multi-portfolio manager model will not effectively result in losses by certain of the Portfolio Managers offsetting any profits achieved by others. Portfolio Managers may from time to time compete with others for the same positions. Moreover, opposite positions held by the Portfolio Managers will be economically offsetting. PM Bonuses are paid in respect of their individual performance regardless of whether their returns are offset in respect of the Funds by other Portfolio Managers’ positions or hedging performed by ExodusPoint. ExodusPoint has implemented certain risk limitations across the Funds’ entire portfolio, which may prevent individual Portfolio Managers from fully expressing their investment thesis in their portfolios.

The success of the multi-portfolio manager model is highly dependent on the ability of ExodusPoint to identify, recruit and retain talented Portfolio Managers. The market for portfolio management and investing talent is intensely competitive. As a recent entrant in a competitive market, ExodusPoint may not be successful in attracting and retaining Portfolio Managers.

Identifying investment talent is inherently uncertain and a Portfolio Manager's past performance in other environments will not necessarily be indicative of its future investment success. In addition to identifying and recruiting investment talent, the multi-portfolio manager model is also dependent on the ability of ExodusPoint to allocate capital among Portfolio Managers in a manner that will enhance returns and mitigate risks in light of anticipated market conditions. There can be no guarantee that ExodusPoint will be successful in its allocation decisions among Portfolio Managers.

*Leverage.* The Funds generally trade and invest on a leveraged basis through borrowings from counterparties. The Funds also incur leverage that is embedded in certain derivative instruments and other investments in the portfolio. Losses incurred in respect of the Funds' leveraged investments will be magnified in respect of the Funds' net asset value in direct proportion to the degree of leverage employed. The use of leverage may result in the forced liquidation of positions (which may otherwise have been profitable) as a result of margin or collateral calls. The Funds also incur interest expenses on the borrowings used to leverage positions. If gains earned by the Funds' portfolio fail to cover such costs, the Funds' net asset value may decrease faster than if there had been no borrowings. The Funds are not subject to any borrowing limitations imposed by their governing documents.

*Model, Programming and Data Risk.* The investment trading models (each, a "Model" and together "Models") and risk management tools that certain of the Portfolio Managers employ are highly dependent on quantitatively-based pricing theories and valuation techniques. These Models generally seek to forecast future price changes based upon a limited number of factors and inputs. The forecasts generated by these Models may differ substantially from actual future price realizations, resulting in losses. The research and modeling process engaged in by certain Portfolio Managers is extremely complex and involves financial, economic, econometric and statistical theories, research and modeling; the results of that process must then be translated into computer code. There can be no assurance that the Models used by the Portfolio Managers on behalf of the Funds will be effective or that they will be effectively utilized by the Portfolio Managers. Moreover, there can be no assurance that the Portfolio Managers will be able to continue to develop, maintain and update the Models so as to effectively implement the Funds' strategy.

Certain Models are highly reliant on ingesting and processing large amounts of data, as part of Model inputs. If incorrect data is entered into a substantiated Model, the resulting valuations will be incorrect. However, even if data is inputted correctly, "model prices" will often differ substantially from market prices, especially for instruments with complex characteristics, such as derivative products. When Models and/or data inputs prove to be incorrect, misleading or incomplete, any decisions made in reliance thereon expose the Funds to potential risks. For example, reliance on Models and/or data may result in buying certain investments at prices that are too high, selling certain other investments at prices that are too low, or missing favorable opportunities altogether. Similarly, any hedging based on faulty Models and/or data inputs may prove to be unsuccessful.

Although ExodusPoint seeks to retain individuals skilled in the development and operation of necessary functions in the development of Models, data and software, the complexity of the individual tasks, the difficulty of integrating such tasks, and the limited ability to perform live

market trading testing of the end product raises the chances that the finished Model may contain an error; one or more of such errors could adversely affect the Funds' performance.

Errors in Models, data and software (each, a "System Event") contained in investment and/or execution process that relies on either full or a material amount of automation are often extremely difficult to detect. It is possible that some System Events may go undetected for long periods of time and some may never be detected. Finally, ExodusPoint may detect certain System Events that ExodusPoint chooses, in its sole discretion, not to address or fix. In addition, ExodusPoint may detect errors in third-party software used within ExodusPoint's proprietary systems and processes, that ExodusPoint chooses, in its sole discretion, not to address or fix. The degradation or impact on performance caused by these System Events can compound over time. ExodusPoint generally will not perform a materiality analysis on the potential impact of a System Event. ExodusPoint believes that the testing and monitoring performed on Models will enable the Portfolio Managers to identify and address those System Events that a prudent person managing a quantitative or systematic investment and/or execution process would identify and address by correcting the underlying issue(s) giving rise to any such errors; however, there can be no guarantee of the success of such processes.

Portfolio Managers employing quantitative based strategies are expected to continuously modify, enhance and develop Models as they deem appropriate. The creation of Models (including incremental improvements to current Models) may expose the Funds to the possibility of unforeseen losses from a variety of factors, including conceptual failures and implementation failures. ExodusPoint considers any such implementation failures, such as System Events, to be an intrinsic aspect of certain of the Portfolio Managers sophisticated and highly technologically dependent trading, risk management and execution techniques. Therefore, such failures are considered by ExodusPoint to be a basic cost of the creation and deployment of such strategies and as such will be borne to the Funds. ExodusPoint does not expect to disclose discovered System Events to its investors. Furthermore, the Funds bear the risks associated with the reliance on Models, data and software including bearing all losses related to System Events other than in relation to losses arising from ExodusPoint's fraud, gross negligence or willful misconduct.

*Algorithmic Strategies and Trading.* Quantitative strategies and execution techniques cannot fully match the complexity of the financial markets and therefore sudden unanticipated changes in underlying market conditions can significantly impact their performance. Further, as market dynamics shift over time, previously highly successful strategies and execution techniques may become outdated, perhaps without a Portfolio Manager recognizing that fact before substantial losses are incurred. Even without becoming completely outdated, the effectiveness of the Models employed may decay in an unpredictable fashion for any number of reasons including, but not limited to, an increase in the amount of assets managed, the sharing of such Models with other funds or accounts managed by ExodusPoint, the use of similar strategies and execution techniques by other market participants and/or market dynamic shifts over time. Moreover, there are likely to be an increasing number of market participants who rely on strategies and execution techniques that may be similar to those used by the Portfolio Managers, which may result in a substantial number of market participants taking the same action with respect to an investment and some of these market participants may be substantially larger than the Funds. Should one or more of these other market participants begin to divest themselves of one or more positions, a

“crisis correlation,” independent of any fundamentals, could occur, thereby causing the Funds to suffer material, or even total, losses. Due to short positions and leverage, the losses to a Fund may exceed the initial market value of a certain position or even exceed that of the total value of applicable Fund. Although a Portfolio Manager may generally attempt to deploy relative value strategies, this does not mean that the Funds will not be affected by adverse market conditions similar to those described above and/or others. There can be no assurances that the models implemented will be profitable, and various market conditions may be materially less favorable to certain strategies than others.

Algorithmic trading has the potential to create risks related to execution errors as a result of a variety of internal and/or external market factors. The controls imposed by the Funds or by various Portfolio Managers utilizing algorithmic trading techniques, or the controls imposed by third-party service providers engaged by the Funds, may fail or may not be effective in catching and/or preventing incorrect trades from reaching the markets. ExodusPoint has developed mechanisms to mitigate the potential risk of an execution error caused by the use of algorithmic, systematic execution modalities but such efforts do not remove the risk of such an error occurring (see above regarding “System Events”). The Funds will bear the risks associated with the reliance on proprietary and third party algorithmic execution modalities including bearing all losses related to errors other than in relation to losses arising from ExodusPoint’s fraud, gross negligence or willful misconduct.

*Short Sales.* The Funds sell securities short. A short sale is effected by selling a security which the Funds do not own. In order to make delivery to the buyer of a security sold short, the Funds must borrow the security. In so doing, they incur the obligation to replace that security, whatever its price may be, at the time it is required to deliver it to the lender. The Funds must also pay to the lender of the security any dividends or interest payable on the security during the borrowing period and may have to pay a premium to borrow the security. This obligation must be collateralized by a deposit of cash or marketable securities with the lender. If the lender of the security enters bankruptcy, a loss of collateral held on behalf of the Funds may occur. Short selling is subject to a theoretically unlimited risk of loss because there is no limit on how much the price of a security may appreciate before the short position is closed out. There can be no assurance that the securities necessary to cover the short position will be available for purchase by the Funds. In addition, purchasing securities to close out the short position can itself cause the price of the relevant securities to rise further, thereby increasing the loss incurred by the Funds. Furthermore, the Funds may prematurely be forced to close out a short position if a counterparty from which the Funds borrowed securities demands their return, resulting in a loss on what might otherwise have been ultimately a profitable position. If it is determined by the broader market that the Funds (and others) are short a heavily shorted security, the Funds may be susceptible to the risk that groups of investors may coordinate, on social media or otherwise, to drive up the price of the short position for the purpose of causing the holders of such a position, including the Funds, to close out of such position at a significant loss.

The US government and certain non-US jurisdictions have at times taken measures to impose restrictions on the ability of investors to enter into short sales, including a complete prohibition on taking short positions in respect of certain issuers. Such restrictions may negatively affect the ability of the Funds to implement their strategies. It cannot be determined how future regulations

may limit the Funds' ability to engage in short selling and how such limitations may impact the Funds' performance.

*Hedging Techniques.* The Portfolio Managers and ExodusPoint have and expect to continue to engage in a variety of techniques to hedge certain risks at a position, strategy or overall portfolio level. Hedging techniques involve one or more of the following risks: (i) imperfect correlation between the performance or value of the instrument and the value of the Funds' instruments needing to be hedged; (ii) possible lack of a secondary market for closing out a position in such hedged instrument; (iii) losses resulting from interest rate, spread or other market movements not anticipated by the Portfolio Manager; (iv) the possible obligation to meet additional margin or other payment requirements, all of which could worsen the Funds' position; and (v) default or refusal to perform on the part of the counterparty with which the Funds trade.

Use of derivatives and other techniques for hedging purposes involves certain additional risks, including (i) dependence on the ability to predict movements in the price of the securities hedged; (ii) imperfect correlation between movements in the securities on which the derivative is based and movements in the assets of the underlying portfolio; and (iii) possible impediments to effective portfolio management or the ability to meet short term obligations because of the percentage of a portfolio's assets segregated to cover its obligations. In addition, by hedging a particular position, any potential gain from an increase in the value of such position may be limited.

Portfolio Managers and ExodusPoint may choose to hedge all or certain risks either in full, in part, or not at all, and either in respect of particular positions or in respect of the Funds' overall portfolio. Certain risks may not be able to be effectively hedged by the Portfolio Managers or ExodusPoint. The Funds' portfolio composition commonly results in various directional risks remaining unhedged. A Portfolio Manager or ExodusPoint has and in the future may rely on diversification to control such risks to the extent that it believes it is desirable to do so but the Funds' governing documents do not impose any such requirements.

The ability of the Funds to hedge successfully depends on the ability of the Portfolio Managers or ExodusPoint to predict pertinent market movements, which cannot be assured. The ongoing success of any hedging strategy is dependent on the ability to adjust hedges as markets or correlations change, and there can be no assurance that a Portfolio Manager or ExodusPoint will be able to make such adjustments successfully. ExodusPoint is not required to hedge and there can be no assurance that hedging transactions will be available or, even if undertaken, will be effective and not result in losses.

*Event Risk.* The Funds engage in transactions which seek to benefit from price or spread movements driven by anticipated catalysts or events. While certain Portfolio Managers will seek to identify near- and intermediate-term catalysts which may allow for capital appreciation in such situations, such opportunities may be limited or may either fail to materialize altogether or such events may occur in an unexpected manner which is not advantageous to the Funds' position. Such events may include earnings announcements, index changes and other activities that result in flows in investment markets.

*Event Driven Investing.* The Funds make investments in issuers involved in, or the target of, acquisition attempts or tender offers or issuers involved in work outs, liquidations, spin offs, reorganizations, asset sales, changes in control, distributions, bankruptcies and similar transactions. The Funds make certain investments in anticipation of such events. In any investment opportunity involving any such type of business enterprise, there exists the risk that the transaction in which such business enterprise is involved either will be unsuccessful, will take considerable time or will result in a distribution of cash or a new security the value of which will be less than the purchase price to the Funds of the security or other financial instrument in respect of which such distribution is received. Similarly, if an anticipated transaction does not in fact occur, the Funds may be required to sell an investment at a loss.

Event driven investing requires the investor to make predictions about (i) the likelihood that an event will occur and (ii) the impact such event will have on the value of an issuer's financial instruments. If the event fails to occur or it does not have the effect foreseen, losses can result. For example, the adoption of new business strategies or completion of asset dispositions or debt reduction programs by an issuer may not be valued as highly by the market as a Portfolio Manager had anticipated, resulting in losses. In addition, an issuer may announce a plan of restructuring which promises to enhance value, but fail to implement it, which can result in losses to investors. In liquidations and other forms of corporate reorganization, the risk exists that the reorganization either will be unsuccessful, will be delayed or will result in a distribution of cash or a new security, the value of which will be less than the purchase price to the Funds of the security in respect of which such distribution was made. The consummation of mergers and tender and exchange offers can be prevented or delayed by a variety of factors, including: (i) opposition of the management or stockholders of the target company, which will often result in litigation to enjoin the proposed transaction; (ii) intervention of a US federal or state or foreign regulatory agency; (iii) efforts by the target company to pursue a "defensive" strategy, including a merger with, or a friendly tender offer by, a company other than the offeror; (iv) in the case of a merger, failure to obtain the necessary stockholder approvals; (v) market conditions resulting in material changes in securities prices; (vi) compliance with any applicable US federal or state securities laws or non-US securities laws; and (vii) inability to obtain adequate financing.

*Relative Value Strategies.* The success of the Funds' relative value investing depends on a Portfolio Manager's ability to exploit relative mispricings among interrelated instruments. Although relative value positions are considered to have a lower risk profile than directional investments as the former attempt to exploit price differentials rather than overall price movements, relative value strategies are by no means without risk. Mispricings, even if correctly identified, may not converge within the time frame within which the Funds maintain their positions. In addition, arbitrage trades can result in significant losses if the arbitrage cannot be sustained (due, for example, to margin calls) until expiration. The Funds' relative value strategies are subject to the risks of disruptions in historical price relationships, the restricted availability of credit and the obsolescence or inaccuracy of its or third-party valuation models. Market disruptions may also force the Funds to close out one or more positions. Such disruptions have in the past resulted in substantial losses for investment funds employing relative value strategies.

In recent market conditions, the profitability of relative value investing has been materially reduced—in part due to the number of market participants seeking to exploit the same perceived mispricings and increasing correlations in the equity markets.

*Spread Trading Risks.* A part of a Portfolio Manager's investment strategies involves the Funds entering a transaction to realize gains from spread movements between two or more positions. To the extent the price relationships between such positions remain constant, no gain or loss on the positions may occur, while changes in currency rates may reduce profits or cause the Funds to sustain a loss. In addition, such positions entail substantial risk that the price differential could change unfavorably, causing a loss to the spread position. Particularly in periods of low market volatility, such investment strategies may have materially diminished prospects for profitability.

*Directional Investments.* Certain of the positions taken by the Funds are designed to profit from forecasting absolute price movements in a particular instrument. Predicting future prices is inherently uncertain and the losses incurred, if the market moves against a position, will often not be hedged. The speculative aspect of attempting to predict absolute price movements is generally perceived to exceed that involved in attempting to predict relative price fluctuations.

*Hybrid and Other Strategies.* Many of the strategies which the Portfolio Managers may employ combine elements of more than one of the foregoing general strategy types or may represent a completely different strategy type. Often, in the course of implementing a particular strategy, an opportunistic investment representing a different investing approach will be made. For example, in seeking to identify a relatively mispriced pair of assets, a Portfolio Manager may conclude that an asset is sufficiently overpriced or underpriced to merit taking an outright directional position.

A Portfolio Manager's approach may combine a range of different investing techniques, both implementing different strategies in different markets and combining different strategies in the same or related markets.

*Reliance on Corporate Management, Financial Reporting and Third-Party Research Service Providers.* Certain Portfolio Managers rely on the financial information made available by the issuers in which the Funds will invest. Certain Portfolio Managers also rely on information obtained from other third-party research service providers regarding financial, economic, business and market conditions, factors and trends. These Portfolio Managers have no ability to independently verify the financial information disseminated by the third-party research service providers and the numerous issuers in which the Funds may invest. As a result, these Portfolio Managers are generally dependent upon the integrity of both the management of these issuers and the financial reporting process in general, as well as the reliability of other research service providers. Corporate mismanagement, fraud and accounting irregularities (or allegations thereof) relating to the issuers of investments held by the Funds or other errors in information sources utilized by these Portfolio Managers may result in material losses.

*Obsolescence Risk.* If the assumptions underlying a Portfolio Manager's Models are inaccurate or become inaccurate, or are unrealistic or become unrealistic, and are not promptly adjusted, the Funds may incur losses or may underperform. If a Portfolio Manager's Models do not reflect certain factors, and such omission is not addressed through testing, evaluation and modification of such models, the Funds may be subject to losses. ExodusPoint will continue to test, evaluate and add new Models which may also result in the modification of existing Models from time to time. Investors will not be informed of nor will investors approve the addition, modification or removal of Models and investment strategies. There can be no assurance as to

the effects (positive or negative) of any changes including additions, modifications and/or removals of Models or investment strategies on a Fund's performance.

*Crowding/Convergence.* There is significant competition among systematic and quantitatively focused managers, and the ability of a Portfolio Manager to implement successfully such strategies is dependent on such Portfolio Manager's ability to employ Models that are simultaneously profitable and differentiated from those employed by other managers. If a Portfolio Manager is not able to develop sufficiently differentiated models, the Funds' investment objective may not be met.

In addition, to the extent that a Portfolio Manager's Models come to resemble those employed by other managers, the risk that a market disruption that negatively affects predictive Models will adversely affect the Funds is increased, as such a disruption could accelerate reductions in liquidity or rapid repricing due to simultaneous trading across a number of funds in the marketplace.

*Use of Alternative Data.* The analysis and interpretation of alternative data involves a high degree of uncertainty and may entail significant expense which may be borne by the Funds. Alternative data typically refers to information derived from non-traditional sources of financial information. Alternative data is often less structured than traditional data sets and usually has less history, thus making it more complex to incorporate into investment models. Alternative data providers often do not have enterprise standard infrastructure for data delivery, which can result in data sets being suspended, delayed, degraded, adjusted, or otherwise less uniform. Moreover, there has been increased scrutiny from a variety of regulators regarding the use of alternative data for investment purposes, and its use or misuse under current or future laws and regulations could create liability for ExodusPoint or the Funds in various jurisdictions. In addition, any future limitations on the use of alternative data or the unavailability of such alternative data sets could have an adverse impact on the performance of the Funds.

*Third-Party Managers.* ExodusPoint is permitted to and has allocated a portion of the Funds' capital to Third-Party Managers for investment management and anticipates allocating capital to additional Third-Party Managers in the future. Such allocations will be subject to certain risks, including fraud by any such Third-Party Manager. Through such allocations, ExodusPoint is generally dependent on the skill and abilities of such Third-Party Managers to successfully manage their respective allocations. The risks of allocating capital among different managers described above under "—Decentralized Capital Management" apply in respect of Third-Party Managers as well.

Allocations to Third-Party Managers, particularly any allocation to an investment entity managed by a Third-Party Manager on a non-exclusive basis, may be subject to substantial limitations on liquidity and the Funds could be unable to withdraw capital from such entity for some months even after ExodusPoint has determined that the relevant Third-Party Manager operating such entity has begun to deviate from its announced investment policies and strategy. Certain entities in which the Funds are permitted to invest may suspend redemptions, especially during periods of market disruption, preventing the Funds from withdrawing and limiting the Funds' exposure to the Third-Party Manager's strategies. Furthermore, ExodusPoint may be unable to hedge the



exposure of a Third-Party Manager, as compared to a Portfolio Manager, if ExodusPoint does not have sufficient portfolio transparency.

Allocations made to Third-Party Managers are likely to be subject to substantial charges, including any expenses that are passed through to the Funds and asset and performance based fees, which, if earned, are payable by the Funds irrespective of the overall profitability of the Funds, resulting in an additional level of expenses and a greater level of expenses than would be associated with direct investing.

ExodusPoint (i) has paid and expects to pay in the future the organizational expenses (including legal expenses) of certain Third-Party Managers that initially manage the Funds' capital on an exclusive basis, (ii) generally pays the operational expenses (including employee compensation and bonuses) of such Third-Party Managers for so long as they manage the Funds' capital on an exclusive basis and (iii) provides and expects to provide in the future, as applicable, such Third-Party Managers with operational and back office support. Such operational expenses and the costs of such services provided by the General Partner to Third-Party Managers have and could in the future result in substantial Pass Through Expenses being charged to the Funds and are at times duplicative of expenses incurred at the Funds-level. Such operational expenses have included and will likely in the future include the costs of third-party professional service providers retained by such managers in addition to any professional service providers retained by ExodusPoint on behalf of Third-party Managers (the costs of which providers will also be passed through to the Funds). Further, any regulatory action initiated against a Third-Party Manager to whom ExodusPoint provides operational and back office support could consume substantial amounts of ExodusPoint's time and attention and result in additional Pass Through Expenses. Such Pass Through Expenses will offset any profits on which performance-based compensation payable by the Funds to the relevant Third-Party Manager is calculated. However, to the extent such Third-Party Manager fails to generate sufficient profits, the Funds may not recoup the entire amount paid for such organizational, operational and back office expenses. Further, the Funds do not have any economic interest in such Third-Party Managers' businesses and thus will not benefit from any increase in the enterprise values of such businesses despite having contributed economically to the establishment of such businesses.

*Securities Lending.* The Funds may lend securities from the portfolio to brokers, dealers and other financial institutions that need to borrow securities to complete certain transactions as a means of earning additional income. In these situations, the Funds are typically entitled to payments in amounts equal to the interest, dividends or other distributions payable on the loaned securities, which affords the Funds an opportunity to earn interest on the amount of the loan and current income on the loaned securities themselves. However, ExodusPoint does not have the ability to vote proxies on securities that are loaned. In addition, the Funds might experience a loss if any institution with which the Funds have engaged in a portfolio loan transaction breaches its agreement with the Funds. If the borrower becomes insolvent or bankrupt, the Funds could experience delays and costs in recovering loaned securities. To the extent that, in the meantime, the value of the loaned securities declines, the Funds could experience further losses.

*Distressed Securities.* The Funds invest in distressed securities. Distressed investment strategies generally involve investing in the securities and other assets of issuers in weak financial condition

(perhaps having a negative net worth), experiencing poor operating results, needing substantial capital investment, facing special competitive or product obsolescence problems, or involved in various stages of bankruptcy or reorganization proceedings. Investments of this type may involve substantial financial and business risks that can result in significant or even total losses. Among the risks inherent in investments in financially troubled issuers is the fact that it is frequently difficult to obtain reliable information as to their true financial prospects. The market prices of distressed securities are subject to abrupt and erratic market movements and excessive price volatility, and the “bid-ask” spreads for such securities may be greater than normally expected.

*Energy-Related Investment Instruments and Markets.* The Funds invest in a wide range of energy and energy-related markets including natural gas, crude and refined oil products, power, coal and emissions. The Funds may invest through physical and financial derivative instruments. The energy and energy-related markets are susceptible to significant short-term price volatility as a result of a variety of factors which are inherently unpredictable, such as weather-related events, rate and tariff regulation, government ownership of certain major market participants, geopolitical changes in certain non-US regions, consumer advocacy and the investment activity of market participants. The energy markets are also subject to price volatility as a result of breakdowns in the facilities necessary to produce, refine, transport, store and deliver physical energy. Because oil and natural gas are considered important natural resources, substantial profits earned through energy-related commodities trading have attracted significant regulatory, legislative and public scrutiny and likely will continue to do so. Trading of physical energy contracts involves risks not typically present in the case of financial contract trading. The Funds may be at a competitive disadvantage to some participants in the energy markets (for example, natural gas and oil companies) that produce some of the energy products they trade.

In addition, investors may be subject to US state or local tax payment obligations and filing requirements in US state and local jurisdictions where the Funds own partnership interests in physical energy or other tangible assets or are otherwise regarded as doing business. Many of such states may permit or require the Funds to file composite or group tax returns or otherwise make tax payments on behalf of each eligible non-resident investor. Credits that could offset double taxation on these tax liabilities may not be available (or may be subject to limitations) in the jurisdictions in which investors are resident or are otherwise taxable.

### ***Risks Relating to the Assets Traded***

*Equities.* The Funds’ equity investments may involve substantial risks and may be subject to wide and sudden fluctuations in market value, with a resulting fluctuation in the amount of profits and losses. There are no absolute restrictions in regard to the size or operating experience of the companies in which the Funds may invest. Relatively small companies may lack management depth or the ability to generate internally, or obtain externally, the funds necessary for growth. Companies with new products or services could sustain significant losses if projected markets do not materialize. Equity prices are directly affected by issuer specific events, as well as general market conditions. In addition, in many countries, investing in common stocks is subject to heightened regulatory and self-regulatory scrutiny as compared to investing in debt or other financial instruments. Changes in the structure of the equity markets or new market participants may materially impede the Funds’ investment strategy.

*Risks of Investment in Small Capitalization and Mid-Capitalization Issuers.* The pursuit of the Funds' investment strategy has and in the future may result in a portion of the Funds' assets being invested in financial instruments of small-cap and mid-cap issuers. Financial instruments of small and mid-cap issuers pose certain distinctive risks. Some small and mid-cap issuers have limited product lines, markets or financial resources. They may be subject to high volatility in revenues, expenses and earnings. They may be dependent for management on one or a few key persons, and can be more susceptible to losses and risks of bankruptcy. Their financial instruments may be thinly traded (and therefore have to be sold at a discount from current market prices or sold in small lots over an extended period of time), may be followed by fewer investment research analysts and may be subject to wider price swings and thus may create a greater chance of loss than when investing in financial instruments of larger-cap issuers. In addition, small and mid-cap issuers may not be well-known to the investment public and may have only limited institutional ownership. The market prices of financial instruments of small and mid-cap issuers generally are more sensitive to changes in earnings expectations, to corporate developments and to market rumors than are the market prices of large-cap issuers. Transaction costs in financial instruments of small and mid-cap issuers may be higher than in those of large-cap issuers.

*Options.* Trading options is highly speculative and may entail risks that are greater than investing in other securities. Prices of options are generally more volatile than prices of other securities. In trading options, the Portfolio Managers speculate on market fluctuations of securities and securities exchange indices while investing only a small percentage of the value of the securities underlying such option. A change in the market price of the underlying securities or underlying market index will cause a much greater change in the price of the option contract. In addition, to the extent that a Portfolio Manager causes the Funds to purchase options that it does not sell or exercise, the Funds will suffer the loss of the premium paid in such purchase. To the extent a Portfolio Manager causes the Funds to sell uncovered options and must deliver the underlying securities at the option price, the Funds have a theoretically unlimited risk of loss if the price of such underlying securities increases. If the Funds must buy those underlying securities, the Funds risk the loss of the difference between the market price of the underlying securities and the option price. Any gain or loss derived from the sale or exercise of an option will be reduced or increased, respectively, by the amount of the premium paid. The expenses of option investing include commissions payable on the purchase and on the exercise or sale of an option. Furthermore, the risk of nonperformance by the obligor on an option may be greater and the ease with which the Funds can dispose of such an option may be less than in the case of an exchange traded option.

Portfolio Managers cause the Funds to buy or sell OTC options—options that are not traded on a securities exchange and are not issued or cleared by an internationally recognized clearing corporation. The risk of nonperformance by the obligor on such an option may be greater, and the ease with which the Funds can dispose of such an option may be less, than in the case of an exchange traded option issued by an internationally recognized clearing corporation.

*Stock Index Options.* The Funds purchase and sell call and put options on stock indices listed on securities exchanges or traded in the OTC market for the purpose of realizing its investment objectives or for the purpose of hedging its portfolio. A stock index fluctuates with changes in the market values of the stocks included in the index. The effectiveness of purchasing or writing stock index options for hedging purposes will depend upon the extent to which price movements in the Funds' portfolio correlates with price movements of the stock indices selected. Because

the value of an index option depends upon movements in the level of the index rather than the price of a particular stock, whether the Funds realize gains or losses from the purchase or writing of options on indices depends upon movements in the level of prices in the stock market generally or, in the case of certain indices, in an industry or market segment, rather than movements in the price of particular stocks. Accordingly, successful use by the Funds of options on stock indices will be subject to a Portfolio Manager's ability to correctly predict movements in the direction of the stock market generally or of particular industries or market segments.

*Exchange-Traded Funds.* The Funds invest in exchange-traded funds ("ETFs"). ETFs represent shares of ownership in either funds or unit investment trusts that hold portfolios of common stocks, bonds or other instruments, which are designed to generally correspond to the price and yield performance of an underlying index. A primary risk relating to ETFs is that the general level of stock or bond prices may decline, thus affecting the value of an equity or fixed income ETF, respectively. An ETF may also be adversely affected by the performance of the specific sector or group of industries on which it is based. Moreover, although ETFs are designed to provide investment results that generally correspond to the price and yield performance of their underlying indices, ETFs may not replicate the performance of the indices because of various sources of tracking error, including the expenses associated with ETFs and a number of other factors.

*Futures/Commodities.* Trading commodities and commodity interests (e.g., futures contracts on commodities, securities indices or currencies) is highly speculative and may entail risks that are greater than the risks associated with investing in securities. Prices of commodity interests are generally more volatile than prices of securities. Futures trading will have effects on the Funds' portfolio similar to the effects of leverage. The Funds may be exposed to market price fluctuations of securities or commodity interests underlying futures (or options on futures), while investing only a small percentage of the value of those underlying securities or commodity interests. A Portfolio Manager may open a futures position for the Funds by placing with a futures commission merchant an initial margin that is small relative to the value of the futures contract, making the transaction "leveraged." If the market moves against the Funds' position or margin levels are increased, the Funds may be called upon to pay substantial additional funds on short notice to maintain their position. If the Funds were to fail to make such payments, their position could be liquidated at a loss, and the Funds would be liable for any resulting deficit in its account. Further, investments in futures are subject to theoretically unlimited losses because there is no limit on how much the price of an underlying security or commodity interest may increase before the futures contract is closed out.

Futures positions may be illiquid because, among other things, most commodity exchanges limit fluctuations in certain futures contract prices during a single day. Once the price of a contract for a particular future has increased or decreased by an amount equal to the "daily limit," positions can be neither taken nor liquidated unless traders are willing to effect trades at or within the limit. Such an occurrence could prevent the Funds from liquidating unfavorable positions and subject the Funds to substantial losses. In addition, the Funds may not be able to effect futures contract trades at favorable prices if trading volume in those contracts is low.

To the extent the Funds trade futures on exchanges in non-US markets, the risks of these activities may be greater than trading in futures on US exchanges. For example, non-US futures are not

cleared on and are not subject to the rules of a US board of trade. Neither the CFTC nor the National Futures Association regulates activities of any non-US board of trade, including execution, delivery and clearing of transactions, nor do they have any enforcement authority over non-US boards of trade. In addition, funds provided as margin for non-US futures and options may not be provided the same protections as funds received in respect of US transactions.

*Derivatives in General.* The Funds make use of various derivative instruments, such as convertible securities, options, futures, forwards and swaps (including, but not limited to, total return and equity swaps, swaptions and credit default swaps). The use of derivative instruments involves a variety of material risks, including the extremely high degree of leverage sometimes embedded in such instruments. The derivatives markets are frequently characterized by limited liquidity, which can make it difficult as well as costly to close out open positions in order either to realize gains or to limit losses. The pricing relationships between derivatives and the instruments underlying such derivatives may not correlate with historical patterns, resulting in unexpected losses.

Use of derivatives and other techniques such as short sales for hedging purposes involves certain additional risks, including (i) dependence on the ability to predict movements in the price of the securities hedged; (ii) imperfect correlation between movements in the securities on which the derivative is based and movements in the assets of the underlying portfolio; and (iii) possible impediments to effective portfolio management or the ability to meet short term obligations because of the percentage of a portfolio's assets segregated to cover its obligations.

The Funds also use swaps to implement its equities strategies synthetically. The Funds' use of swaps is subject to the following risks: (i) credit risks (the exposure to the possibility of loss resulting from the counterparty's failure to meet its financial obligations); (ii) market risk (adverse movements in the price of a financial asset or commodity); (iii) 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 preempt otherwise enforceable contract rights); (iv) operational risk (inadequate controls, deficient procedures, human error, system failure or fraud); (v) documentation risk (exposure to losses resulting from inadequate documentation); (vi) liquidity risk (exposure to losses created by inability to prematurely terminate the derivative); (vii) system risk (the risk that financial difficulties in one institution or a major market disruption will cause uncontrollable financial harm to the financial system); (viii) 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 (ix) 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).

*Forward Contracts.* The Funds trade deliverable forward contracts in the inter-bank currency market. Such deliverable forward contracts are not currently traded on exchanges; rather, banks and dealers act as principals in these markets. The CFTC regulates non-deliverable foreign currency forwards. Changes in the forward markets entail increased costs and result in burdensome reporting requirements. There is currently no limitation on the daily price movements of forward contracts. Principals in the forward markets have no obligation to continue to make markets in the forward contracts traded. The imposition of credit controls by

governmental authorities might limit such forward trading to less than that which a Portfolio Manager would otherwise recommend, to the possible detriment of the Funds.

*Fixed-Income Investments.* The value of the fixed-income securities in which the Funds invest will change both as general market conditions change and as the general levels of interest rates fluctuate. Investments in lower rated or unrated fixed-income securities in which the Funds may invest, while generally providing greater opportunity for gain and income than investments in higher rated securities, usually entail greater risk (including the possibility of default or bankruptcy of the issuers of such securities).

*Investment Grade Debt.* Investment grade debt securities are investment grade rated obligations that have credit ratings that are intended to reflect (but will not necessarily reflect) relatively less credit and liquidity risk than high-yield debt securities or mezzanine debt securities. Risks of investment grade debt securities may include (among others): (i) market place volatility resulting from changes in prevailing interest rates, (ii) the absence, in many instances, of collateral security, (iii) the operation of mandatory sinking fund or call/redemption provisions during periods of declining interest rates that could cause the Funds to reinvest premature redemption proceeds in lower-yielding debt obligations and (iv) the declining creditworthiness and the greater potential for insolvency of the issuer of such investment debt securities during periods of rising credit spreads and/or interest rates and/or economic downturn.

*High-Yield Debt Securities.* The Funds invest in non-investment grade rated and unrated debt securities which are subject to greater risk of loss of principal and interest than higher-rated debt securities. High-yield corporate debt securities are often unsecured and are frequently issued in connection with leveraged acquisitions or recapitalizations which cause the issuer to incur substantially higher levels of indebtedness. Such securities may be subject to significant financial and business risks and have historically experienced greater rates of default. The Funds may also invest in debt securities which rank junior to other outstanding securities and obligations of the issuer. Certain debt securities are not protected by financial covenants or limitations on additional indebtedness. Lower or unrated securities are more likely to react to developments affecting market and credit risk than are more highly rated securities. Prospective investors should be aware that ratings are relative and subjective and are not absolute standards of quality. Subsequent to its purchase by the Fund, an issue of securities may cease to be rated or its rating may be reduced. Neither event will require the sale of such securities, although a Portfolio Manager may consider such event in its determination of whether the Funds should continue to hold the securities. The market value of securities in lower-rated categories is generally more volatile than that of higher quality securities. In addition, a Portfolio Manager may have difficulty disposing of certain of these securities because there may be a thin trading market for such securities.

*Restricted Securities and Private Investments.* The Funds make investments in restricted securities issued in exempt offerings and may make other private investments in illiquid instruments. There may be no trading market for these instruments, and the liquidation of such investments could, depending on the circumstances, be difficult or occur at disadvantageous prices. As a result, the Funds may be required to hold such securities for extended periods of time. It may be difficult to hedge such investments, and, unlike readily marketable securities, such investments typically are not eligible for portfolio financing. In some instances, the Funds

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 prices lower than similar securities that are not subject to restrictions on resale.

*Currency Exchange Exposure and Currency Hedging.* Because the Funds invest in non-US securities that are denominated or quoted in non-US currencies, whereas the functional currency of the Funds are denominated in US dollars, performance may be significantly affected, either positively or negatively, by fluctuations in the relative currency exchange rates and by exchange control regulations. To the extent the Funds seek to hedge its currency exposure, it may not always be practicable to do so. Moreover, hedging may not alleviate all currency risks. Furthermore, the Funds have and in the future may incur costs in connection with conversions between various currencies. Currency exchange dealers realize a profit based on the difference between the prices at which they are buying and selling various currencies. Thus, a dealer normally will offer to sell currency to the Funds at one rate, while offering a lesser rate of exchange should the Funds desire immediately to resell that currency to the dealer. The Funds will conduct its currency exchange transactions either on a spot (*i.e.*, cash) basis at the spot rate prevailing in the currency exchange market, or through entering into a number of different types of hedging transactions including, without limitation, forward, futures or commodity options contracts to purchase or sell currencies, and entering into foreign currency borrowings.

To the extent the Funds enter into currency forward contracts (agreements to exchange one currency for another at a future date), these contracts involve a risk of loss if the Funds fail to predict accurately the direction of currency exchange rates. In addition, forward contracts are not guaranteed by an exchange or clearinghouse. Therefore, a default by the forward contract counterparty may result in a loss to the Funds for the value of unrealized profits on the contract or for the difference between the value of its commitments, if any, for purchase or sale at the current currency exchange rate and the value of those commitments at the forward contract exchange rate. Any government action that alters the convertibility of a currency or restricts the ability to repatriate funds into US dollars could cause economic losses to the Funds. Furthermore, while the markets for currency forward contracts are not currently regulated, they may in the future become subject to regulation under Dodd-Frank, a development which may entail increased costs and result in burdensome reporting requirements.

There can be no guarantee that instruments suitable for hedging currency shifts will be available at the time ExodusPoint or the Portfolio Managers wish to use them or will be able to be liquidated when ExodusPoint or the Portfolio Managers wish to do so. In addition, ExodusPoint or a Portfolio Manager may choose not to enter into hedging transactions with respect to some or all of its positions that are exposed to currency exchange risk.

*International Investing.* Investing outside the United States may involve greater risks than investing in the United States. These risks include: (i) less publicly available information; (ii) varying levels of governmental regulation and supervision; and (iii) the difficulty of enforcing legal rights in a non-US jurisdiction and uncertainties as to the status, interpretation and application of laws. Moreover, non-US companies are generally not subject to uniform accounting, auditing and financial reporting standards, practices and requirements comparable to those applicable to US companies.

Non-US markets may also have different clearance and settlement procedures, and in certain markets there have been times when settlements have failed to keep pace with the volume of securities transactions, making it difficult to conduct such transactions. Delays in settlement could result in periods when assets of the Funds are uninvested and no return is earned thereon. The inability of the Funds to make intended security purchases due to settlement problems or the risk of intermediary counterparty failures could cause the Funds to miss investment opportunities. The inability to dispose of a security due to settlement problems could result either in losses to the Funds due to subsequent declines in the value of such structured credit security or, if the Funds have entered into a contract to sell the security, could result in possible liability to the purchaser. Transaction costs of buying and selling non-US securities, including brokerage, tax and custody costs, also are generally higher than those involved in domestic transactions. Furthermore, some non-US financial markets have substantially less volume than US markets, and securities of many non-US companies are less liquid and their prices more volatile than securities of comparable domestic companies.

The economies of individual non-US countries may also differ favorably or unfavorably from the US economy in such respects as growth of gross domestic product, rate of inflation, volatility of currency exchange rates, depreciation, capital reinvestment, resources self-sufficiency and balance of payments position.

*Emerging Market Currencies and Securities Involve Substantial Risks.* The Funds invest a portion of its assets in the securities (or instruments thereto) of less developed countries or countries with new or developing capital markets (“Emerging Markets”) as well as trade the currencies of such countries for hedging purposes. The value of Emerging Market currencies and securities may be drastically affected by political developments in the country of issuance. In addition, the existing governments in the relevant countries could take actions that could have a negative impact on the Funds, including nationalization, expropriation, imposition of confiscatory taxation or regulation or imposition of withholding taxes on interest payments or gains.

Some of the countries in which the Funds may invest have experienced, are experiencing or will experience political, economic and/or social instability. Many such countries have also experienced dramatic swings in the value of their national currency. There can be no assurance that such instability or such fluctuations will not occur in the future and, if they do occur, that they will not have a substantial adverse effect on the performance of the Funds.

The economies of many of the Emerging Market countries are still in the early stages of modern development and are subject to abrupt and unexpected change. In many cases, governments retain a high degree of direct control over the economy and may take actions having sudden and widespread effects. Also, many Emerging Market country economies have a high dependence on a small group of markets or even a single market.

Emerging Market countries tend to have periods of high inflation and high interest rates as well as substantial volatility in interest rates, which could affect any of the Funds’ investments in them adversely.



The currencies and securities purchased by, and the instruments relating thereto entered into by, the Funds may lack a liquid trading market, which may result in the inability of the Funds to sell such security or currency or to close out a transaction, thereby forcing the Funds to incur potentially unlimited losses.

Foreign investment in the Emerging Market countries is in some cases restricted. Many of these countries have non-convertible currencies and the value of investments may be affected by fluctuation in available currency rates and exchange control regulations. The remittance of funds and/or profits may therefore be restricted, and the Funds may need to utilize swaps, participation agreements, loans, and other indirect investment techniques to access markets and remit profits. Moreover, the banking systems in these countries are not as developed as their developed counterparts and considerable delays may occur in the transfer of funds within, and the remittance of monies out of, these countries.

In certain cases, the structures which the Funds employ to make trades in Emerging Market currencies and securities may be complex, entail significant counterparty exposure and/or not clearly comply with local law. The Fund invests in Emerging Markets currencies and securities through various swaps and derivatives.

Certain Emerging Markets countries are particularly likely to require identifying information about entities and persons who have direct, or even indirect, exposure to the securities of issuers in those countries. This may result in the Funds being asked to provide information about Fund investors to Emerging Markets regulators or to the brokers who are providing services to the Funds in connection with investing activities. Such information may include, but may not be limited to, the identities, addresses and countries of origin of the investors in the Funds.

*Mortgage-Backed and Asset-Backed Securities.* The Funds invest in mortgage-backed (“MBS”) or asset-backed (“ABS”) securities. These securities may be in the form of pass-through instruments or asset-backed obligations. Such securities are limited recourse obligations payable solely from the assets of the issuer. The payments of MBS and ABS are derived from underlying receivables, and there can be no assurance as to the timing and amount of such payments. The governing documents for MBS and ABS may establish highly complex structures, with payments allocated according to complicated procedures to various classes of securities and with varying forms of credit enhancement. There is a risk that such governing documents may contain ambiguous terms, which may delay receipt of payments. Certain MBS and ABS may be subject to interest rate mismatches, if liabilities are fixed-rate and receivables bear interest at a floating-rate, or vice versa. Further, certain ABS may be subject to credit risk. The Funds may invest in subordinate classes of MBS and ABS, which classes will be allocated losses prior to more senior classes and which may allow for the deferral of certain payments. The Funds may invest in private-label MBS, which are issued by non-governmental entities and carry no direct or indirect government guarantee.

*Prepayment Risks.* Portfolio Managers make investments in asset or mortgage-backed securities. The value of such instruments tends to vary with changes in interest rates. In addition, to the extent the Funds purchase asset or mortgage-backed securities at a premium, prepayments (which except with respect to commercial mortgage loans may in many cases be made without penalty) may result in loss of the premium paid.

*Structured Credit Products.* The Funds may invest in complex structured credit products both as a hedge and as an outright risk position. These products may include first-to-default credit default swap baskets as well as tranching CDS basket trades, both bespoke and index. While such products can be effective risk taking and risk management tools, such products are generally very illiquid and pricing of such products may be more volatile than more traditional investment products. These structured products involve not only the risks of the underlying “reference asset,” but also other risks including, without limitation, acceleration of the financing embedded in the structure, counterparty credit risk, and/or restrictions imposed on the management and nature of the permissible reference assets and costs of creating the structured products.

*Convertible Securities.* The Funds invest in convertible securities. Convertible securities may be exchanged or converted into a predetermined number of the issuer’s underlying shares or the shares of another company or that are indexed to an unmanaged market index at the option of the holder during a specified time period. Convertible securities may take the form of convertible preferred stock, convertible bonds or debentures, stock purchase warrants, zero-coupon bonds or liquid-yield option notes, stock index notes, mandatories, or a combination of the features of these securities. Prior to conversion, convertible securities have the same general characteristics as non-convertible debt securities. As with all debt securities, the market value of convertible securities tends to decline as interest rates increase, and, conversely, increase as interest rates decline. Convertible securities, however, also appreciate when the underlying common stock appreciates, and conversely, depreciate when the underlying common stock depreciates.

## **Item 9: Risks Associated with Use of AI Tools**

*General.* In line with advances in computing technology, data analytics and related fields, there has been an increasing trend towards utilizing artificial intelligence (including artificial generative intelligence), large language models, machine learning technology and similar tools, models and systems (collectively, “AI Tools”) by various market participants in the asset management industry. While ExodusPoint believes that AI Tools have certain advantages and benefits for various applications, the use of AI Tools by market participants also poses risks to ExodusPoint (including any ExodusPoint Affiliates), the Fund and the companies in which the Fund invests. ExodusPoint intends to utilize AI Tools in connection with certain of its business activities, including investment activities, and to the extent it does so, ExodusPoint intends to evaluate from time to time and adjust internal policies and procedures governing use of AI Tools by its personnel. Notwithstanding any applicable policies, personnel of ExodusPoint could, unbeknownst to ExodusPoint, utilize AI Tools in contravention of such policies in a manner which negatively impacts the Fund. ExodusPoint, the Fund and the companies in which the Fund invests could be further exposed to the risks of AI Tools if third-party service providers or any counterparties, whether or not known to ExodusPoint, also use AI Tools in their business activities. ExodusPoint will not be in a position to control the operations of third-party service providers or counterparties, the manner in which third-party products are developed or maintained or the manner in which third-party services are provided.

Use of AI Tools by any of the parties described in the previous paragraph could include the input of confidential information (including material non-public information) — either by third parties

in contravention of non-disclosure agreements (or similar undertakings or obligations of confidentiality) or by personnel of ExodusPoint in contravention of ExodusPoint's policies — into AI Tools, resulting in such confidential information becoming part of a dataset that is accessible by other third-party AI Tools and users thereof.

In addition, many AI Tools are relatively recent developments and may be subject to one or more undetected errors, defects or security vulnerabilities, which may be discovered only after an AI Tool has been introduced to and/or has had substantial operations in the marketplace. To the extent that ExodusPoint, the Fund or the companies in which the Fund invests are exposed to the risks of AI Tools, any such inaccuracies or errors in the data used by AI Tools or any exploitable errors, defects or security vulnerabilities in AI Tools could have adverse impacts on ExodusPoint (including ExodusPoint Affiliates), the Fund or the Fund's investments.

*Incorrect Outputs.* AI Tools can make wrong decisions based on incorrect inferences that have captured spurious or irrelevant patterns in the data. While such risks can be mitigated by human oversight, the complex analytical frameworks used by AI Tools may make it difficult (if not impossible) for ExodusPoint to properly identify such risks prior to investments being made by the Fund.

AI Tools and their applications, including in the private investment and financial sectors, continue to develop rapidly and have recently become subject to increased scrutiny from lawmakers and regulators. It is impossible to predict the future risks that may arise from such developments as well as the growing prominence of AI Tools in general.

## **Item 10: Disciplinary Information**

Neither ExodusPoint nor any of its officers, directors, or employees or other management persons have been involved in any legal or disciplinary events that would require disclosure in response to this item.

## **Item 11: Other Financial Industry Activities and Affiliations**

ExodusPoint and its employees do not have any relationships or arrangements with other financial services companies that pose material conflicts of interest.

ExodusPoint is registered as a commodity pool operator with the Commodities Futures Trading Commission (the "CFTC") and will operate the Funds in accordance with the exemption provided by CFTC Rule 4.7.

ExodusPoint relies on an exemption from registration with the CFTC as a commodity trading advisor.

The General Partners are affiliates of ExodusPoint. The General Partners are deemed by the SEC to be registered as investment advisers and the General Partners and any persons acting on behalf of a General Partner are subject to the Advisers Act and ExodusPoint's compliance program.

As noted above, the UK Sub-Adviser, a wholly owned subsidiary of ExodusPoint, is authorized (pursuant to a Part 4a Permission) and regulated by the FCA to conduct regulated activity in the UK as a discretionary investment manager (FCA Number: 828549). The Jersey Sub-Adviser, a wholly owned subsidiary of ExodusPoint, is authorized by the Jersey Financial Services Commission to conduct regulated activities under the Financial Services (Jersey) Law 1998 (as amended) as a discretionary investment manager. The Singapore Sub-Adviser, a wholly owned subsidiary of ExodusPoint, holds a Capital Markets Services License for fund management issued by MAS (MAS Number: CMS100783). International Holdings, a wholly owned subsidiary of ExodusPoint, has opened a Japan branch, where it is registered with the Kanto Local Finance Bureau of Japan to provide investment management services. The Hong Kong Sub-Adviser, a wholly owned subsidiary of ExodusPoint, is licensed with the SFC to conduct Type 9 (Asset Management) regulated activities (CE No.: BOU243). The Hong Kong Sub-Adviser's license with the SFC is subject to certain conditions which are described at <https://apps.sfc.hk/publicregWeb/corp/BOU243/conditions>. The Dubai Sub-Adviser, a wholly owned subsidiary of ExodusPoint, is registered with the DIFC under the Companies Law, DIFC Law No. 5 of 2018 to provide discretionary investment advisory services. In addition, the Domestic Sub-Adviser, the Puerto Rico Sub-Adviser and the Diversified Select Opportunities Sub-Adviser are ExodusPoint subsidiaries and US-based relying advisers; and as described in Item 8 above, ExodusPoint has engaged certain Third-Party Managers.

ExodusPoint and its management persons are not registered as broker-dealers and do not have any application pending to register with the SEC as a broker-dealer or registered representative of a broker-dealer.

## **Item 12: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

### Code of Ethics

ExodusPoint recognizes and believes that (i) high ethical standards are essential for its success and to maintain the confidence of its clients and investors; (ii) its long-term business interests are best served by adherence to the principle that the interests of clients and investors come first; and (iii) it has a fiduciary duty to its clients and investors to act for their benefit. All ExodusPoint personnel must put the interests of clients and investors before their own personal interests and must act honestly and fairly in all respects in dealings with clients and investors. All ExodusPoint personnel must also comply with all federal securities laws. To establish the standard of business conduct that is expected of its personnel, ExodusPoint has adopted a written Code of Ethics that is applicable to all employees as well as certain consultants, independent contractors and interns (together, "Access Persons") as determined by the Compliance Department. The Code of Ethics

is available upon request to clients by contacting ExodusPoint at the address or telephone number listed on the first page of this document.

### Participation or Interest in Client Transactions

Eligible ExodusPoint personnel and eligible personnel of certain Third-Party Managers may hold direct or indirect financial interests in the Employee Vehicles, which in turn invest in the Funds. Additionally, subject to the procedures generally described in “Personal Trading” below, ExodusPoint Access Persons may make or hold investments in some of the same investments that are held or traded by the Funds. Further, certain Portfolio Managers and the members of their investment teams have been permitted and may in the future be permitted to manage a portion of their own capital according to the strategies they execute on behalf of the Funds. In addition, certain Portfolio Managers may trade in individual securities and instruments that they or that other Portfolio Managers trade on behalf of the Funds. Consequently, there is a possibility that such persons (i) might benefit from market activity by the Funds in respect of positions they both hold and (ii) may hold positions in their personal accounts potentially in conflict with positions held by the Funds. ExodusPoint has adopted policies and procedures (including personal trading policies described below) that are guided by the principle that ExodusPoint has fiduciary duties and obligations to the Funds and aims to effect this principle by establishing a process by which Access Persons can trade for their personal accounts in a manner that is not inconsistent with ExodusPoint’s fiduciary duties to its clients.

### Personal Trading

Access Persons must pre-clear certain personal securities transactions, including but not limited to certain transactions in “Reportable Securities” as defined in the Advisers Act and transactions in securities obtained through a private placement, before completing such transactions. Access Persons must also seek pre-clearance for transactions in Reportable Securities on behalf of their (i) spouses or domestic partners, (ii) immediate family members (if they live in the same household of the Access Person), and (iii) financial dependents (together, “Covered Persons”). ExodusPoint may deny any pre-clearance request, particularly if the transaction may pose a potential conflict of interest.

ExodusPoint discourages Access Persons from short-term trading as such activity could be viewed as being in conflict with ExodusPoint’s general fiduciary principles. As such, ExodusPoint has instituted a holding period of 30 calendar days for certain securities requiring pre-clearance for all Access Persons and their Covered Persons.

Upon hire and annually thereafter, Access Persons are required to provide holdings reports that reflect their current holdings in Reportable Securities, as well as the current holdings of their Covered Persons. Access Persons are also required to submit transaction reports for all transactions in Reportable Securities no later than 30 days after the end of each calendar quarter on behalf of themselves and their Covered Persons.

From time to time, ExodusPoint may have material non-public information, whether through a confidentiality agreement with a company, or otherwise. ExodusPoint maintains a restricted list

which contains the names of companies for which ExodusPoint may be in possession of material non-public information, and/or where it has a confidentiality obligation. Trading in the securities of an issuer appearing on the ExodusPoint Restricted List must be approved by the Compliance Department whether the trading is proposed in a Client Account or a Personal Account.

The Chief Compliance Officer, or her designee, has authority to waive certain personal trading policy requirements, in accordance with applicable regulations, if such waivers would not be adverse to ExodusPoint clients. In such instances, a review is performed by ExodusPoint's Compliance Department to assess the potential materiality of any impact and/or any other relevant considerations to determine if such trade is to be permitted.

#### Cross Trades and Principal Transactions

ExodusPoint and its personnel do not purchase or sell any securities for their own accounts to or from Clients, except with the prior approval of Compliance. On occasion, subject to applicable Client fund investment guidelines and restrictions, ExodusPoint may affect "cross" transactions, through unaffiliated broker-dealers or by "journal entry," between accounts in which one Client will purchase an investment held by another Client. For the avoidance of doubt, any inadvertent or unintentional executions of two ExodusPoint orders in the marketplace will not be considered cross trades subject to this policy. If ExodusPoint decides to engage in a cross trade, ExodusPoint will determine that the trade is in the best interests of each Client involved and take steps to ensure that the transaction is consistent with the duty to obtain best execution for each of those Clients.

To the extent that Cross Trades may be viewed as principal transactions due to the ownership interest in a Client by ExodusPoint or its personnel, ExodusPoint will comply with the requirements of Section 206(3) of the Advisers Act.

The Master Fund may invest through trading subsidiaries whose equity is held by ExodusPoint. Such investments may be made through debt instruments with the goal of achieving favorable tax treatment for the Master Fund. It is not expected that ExodusPoint itself will materially benefit from such arrangements.

## **Item 13: Brokerage Practices**

### Brokerage

ExodusPoint is authorized to determine the broker or dealer to be used for each securities transaction on behalf of the Funds. In selecting brokers and determining commission rates, ExodusPoint complies with best price and execution requirements. In selecting the brokers for the Funds, ExodusPoint considers such factors as: price; execution capabilities, including efficiency of execution and willingness to execute difficult transactions; financial strength and stability; block trading and block positioning capabilities; reputation; infrastructure; reliability; quality of research products or services and other value-added services.

ExodusPoint pays bundled commission rates and receives research and brokerage provided by many of its executing and prime brokers (subject to applicable rules, including, to the extent applicable, MiFID II). ExodusPoint need not solicit competitive bids and does not have an obligation to seek the lowest available commission cost. Commission rates are generally negotiable, and selecting brokers on the basis of considerations that are not limited to commission rates generally results in higher transaction costs than would otherwise be obtainable. Brokers may provide research and brokerage services directly or by paying service providers engaged by ExodusPoint. In addition, ExodusPoint is permitted to, subject to its best execution policy, trade with certain brokers primarily in consideration of the provision of research services. In any such case ExodusPoint will determine in good faith that the amount of commissions charged is reasonable in relation to the value of the brokerage and research products or services provided by the broker.

ExodusPoint has an incentive to select broker-dealers based on benefits that it receives from brokers, whether or not pursuant to soft dollar arrangements as described herein, rather than the interests of the Funds in receiving the most favorable execution. Any products or services that ExodusPoint receives from broker-dealers may be used in connection with its management of its client accounts.

ExodusPoint assumes no responsibility for the actions or omissions of any broker or dealer selected by ExodusPoint in accordance with its standard of care.

#### Soft Dollars

Section 28(e) of the Exchange Act provides a “safe harbor” to investment managers who use “soft dollars,” *i.e.*, commissions generated by their advised accounts, to obtain investment research and brokerage services from companies that provide lawful and appropriate assistance to the manager in connection with the investment decision-making process. Conduct outside of the safe harbor afforded by Section 28(e) is subject to the traditional standards of fiduciary duty under state and federal law. ExodusPoint will only enter into arrangements under which it receives products and services in exchange for soft dollars where it reasonably believes that the arrangements fall within the safe harbor of Section 28(e). Where a product or service provided has both “eligible” uses under Section 28(e), *i.e.*, uses related to ExodusPoint’s investment decision-making process, but also has other uses, ExodusPoint will make a reasonable allocation between the eligible and non-eligible uses and use soft dollars only for the eligible portion. In addition, ExodusPoint will use soft dollars to pay for certain usage of “eligible” research or brokerage products or services on behalf of its non-US affiliates, all in accordance with Section 28(e).

Research and brokerage services obtained through the use of commissions arising from the Funds’ trading activities and transactions may be used by ExodusPoint in its other investment activities. The Funds may not necessarily, in any particular instance, be the direct or indirect beneficiary of the research or brokerage services provided in consideration of the soft dollars generated by the Funds’ trading. ExodusPoint is specifically authorized to, does and expects to direct brokerage to firms that provide such services. In addition, ExodusPoint will use soft dollars

to pay for certain usage of “eligible” research or brokerage products or services on behalf of its non-US affiliates, all in accordance with Section 28(e).

Services constituting “research” under Section 28(e) that ExodusPoint receives in connection with the Funds’ trading may include, but are not limited to: newswire and quotation services; research reports; financial newsletters and trade journals; software used to analyze securities portfolios; corporate governance research and rating services; attendance at certain seminars and conferences; economic and market information; portfolio strategy advice; industry and company comments; technical data; recommendations; information on industries, groups of securities, individual companies, political developments, legal developments affecting portfolio securities and technical market action; statistical information; accounting and legal interpretations relating to Fund transactions; credit analysis; risk measurement analysis and performance analysis. These research services are received in the form of written reports, calls and meetings with research analysts, as well as in the form of access to computer-generated data and meetings arranged with corporate and industry spokespersons, economists, academicians and/or government representatives. Products and services constituting “brokerage” under Section 28(e) that ExodusPoint may receive in connection with the Funds’ trading include, but are not limited to: services related to the execution, clearing and settlement of securities transactions and functions incidental thereto, such as connectivity services between ExodusPoint and a broker-dealer and other relevant parties such as custodians; trading software operated by a broker-dealer to route orders; software that provides trade analytics and trading strategies; software used to transmit orders; trade clearance and settlement; electronic communication of allocation instructions; routing of settlement instructions; post-trade matching of trade information; and services required by the SEC or a self-regulatory organization such as comparison services, electronic confirms or trade affirmations.

ExodusPoint does, but is not obligated to, enter into arrangements under which certain direct expenses of the Funds are paid with soft dollars. ExodusPoint will enter into such arrangements where it believes that it is administratively or operationally expedient to do so or where they are generally as favorable to the Funds as an arrangement under which the Funds pay for the products or services in question with cash. However, such arrangements make it more difficult for investors to evaluate the cost structure of the Funds because the costs of such products or services are not broken out separately.

In addition to any soft dollar arrangements that ExodusPoint enters into with brokers, brokers provide certain research or other products or services to all of their customers, including ExodusPoint, without being requested to do so. Similarly, brokers have and in the future may refer investors to ExodusPoint. ExodusPoint takes advantage of the products or services provided rather than producing them or paying for them from another provider. Similarly, ExodusPoint has and in the future may accept investor referrals from brokers in appropriate circumstances. In these situations, ExodusPoint receives a benefit because it does not have to pay for the products or services, such as research, or because it will potentially receive additional compensation if the Funds accept new investments.



## Trade Errors

ExodusPoint has established order handling processes and procedures designed to reduce the likelihood of trade errors and, in its sole discretion, will determine what constitutes a trade error.

Except as described below, the Funds bear the cost of any trade errors of ExodusPoint and the Portfolio Managers with respect to its placing or executing trades for the Funds, as such errors are considered by ExodusPoint to be a cost of doing business. Pursuant to the exculpation of liability and indemnification provisions of the investment management agreement between ExodusPoint and the Funds, ExodusPoint is only obligated to reimburse the Funds for any trade error resulting from ExodusPoint's fraud, gross negligence or willful misconduct. ExodusPoint, subject to its fiduciary obligations, will determine whether or not any loss resulting from a trade error is required to be reimbursed in accordance with such liability and exculpation provisions. Any positive trade errors will be for the benefit of the Funds.

## **Item 14: Review of Accounts**

### Reviews

ExodusPoint performs various daily, weekly, monthly, quarterly and periodic reviews of each client's portfolio. Such reviews are conducted in the ordinary course by the members of ExodusPoint's management team, Portfolio Managers and analysts, and risk, accounting and compliance personnel. A review of a client account may also be triggered by any unusual activity or special circumstances.

### Reports to Investors

The Funds will distribute to each investor unaudited monthly capital account statements and, within 90 days following the close of each fiscal year, an annual report containing audited financial statements of the Funds for the fiscal year then ended. The Funds provide to each investor, as applicable, tax information relating to the accounts necessary for the preparation of an investor's US federal income tax return. ExodusPoint may distribute additional reports to investors from time to time in its sole discretion.

ExodusPoint anticipates that any additional funds and client accounts will provide similar investor reporting, although the actual terms of such reporting will be set forth in the governing documents of the relevant fund or client account.

### The Advisory Committee and the Board of Directors

The Domestic Feeder Fund, the Intermediate Fund and the Master Fund each have an Advisory Committee composed of at least three members and the Offshore Feeder Fund has a board of directors (the "Board of Directors"). The Advisory Committee and the Board of Directors are each composed of two independent parties and a member of the management team of ExodusPoint. ExodusPoint may remove members from and appoint members to the Advisory

Committee from time to time in its discretion, provided that the Advisory Committee must be composed of at least three members and a majority of the members must be independent of ExodusPoint. The Advisory Committee and the Board of Directors are responsible for approving, on behalf of the investors and the relevant Funds, any principal transactions for which client consent is required pursuant to Section 206(3) of the Advisers Act or any other conflicted matters between the Domestic Feeder Fund, the Intermediate Fund, the Offshore Feeder Fund or the Master Fund, on the one hand, and ExodusPoint or its affiliates, on the other hand, which are presented to the Advisory Committee or the Board of Directors, as applicable, by ExodusPoint in its sole discretion. For the avoidance of doubt, any affiliated Director or Advisory Committee member, as applicable, will recuse himself or herself from any votes and/or determinations regarding a conflict involving ExodusPoint. The Advisory Committee and the Board of Directors have the authority to approve, ratify or consent to (or, in certain cases where required by the Advisers Act, revoke approval for) matters on behalf of the investors in the Funds for purposes of the Advisers Act or otherwise. The Advisory Committee will meet at such times as ExodusPoint or the General Partner may determine. Please refer to the Funds' offering documents for additional information regarding the Advisory Committee and the Board of Directors.

## **Item 15: Client Referrals and Other Compensation**

ExodusPoint does not currently engage solicitors or placement agents to market the Funds but may do so in the future.

ExodusPoint effects securities transactions through a number of broker-dealers. By virtue of its conducting business with broker-dealers, ExodusPoint may receive certain economic benefits from such broker-dealers which would not be received if it did not transact through the broker-dealers. These benefits may include, but are not limited to: access to an electronic communication network for order entry and account information; receipt of proprietary research; and participation in broker-dealer sponsored research and capital introduction services. ExodusPoint understands that the benefits received through its relationship with the broker-dealers (including its prime brokers) generally do not depend upon the amount of transactions directed to, or amount of assets custodied by, the broker-dealers.

## **Item 16: Custody**

With the exception of any investments in "privately offered securities," per Rule 206(4)-2 under the Advisers Act (the "Custody Rule"), all Fund assets will be held in custody by unaffiliated broker-dealers or banks acting in the capacity as "qualified custodians."

Notwithstanding the foregoing, the General Partner's role as general partner to the Funds enables ExodusPoint's personnel to access Fund assets, and ExodusPoint has developed procedures to safeguard and protect such assets in compliance with the Custody Rule. Such procedures include among other things, the separation of functions and dual signatory approvals for the movement of the Funds' capital.

The Funds are subject to an annual audit and the audited financial statements are distributed to each Fund investor. The audited financial statements are prepared in accordance with generally accepted accounting principles, are intended to be issued with an unqualified opinion, and distributed to investors within 120 days of the Funds' fiscal year ends in accordance with the Custody Rule.

## **Item 17: Investment Discretion**

ExodusPoint has entered into a discretionary investment management agreement with the Domestic Feeder Fund, the Offshore Feeder Fund, the Intermediate Fund and the Master Fund. The Employee Vehicles only invest in their respective Feeder Funds.

ExodusPoint buys and sells securities and other instruments for the Funds on a discretionary basis in a manner consistent with the Funds' investment objectives and restrictions, as set forth in the Funds' offering documents. The Singapore Sub-Adviser, the UK Sub-Adviser, the Japan Branch, the Hong Kong Sub-Adviser, the Jersey Sub-Adviser, the Puerto Rico Sub-Adviser, the Domestic Sub-Adviser, the Diversified Select Opportunities Sub-Adviser, and the Dubai Sub-Adviser respectively, will maintain similar investment discretion as ExodusPoint as allocated to each such ExodusPoint sub-adviser by ExodusPoint.

ExodusPoint has complete discretion to select and allocate capital among investment strategies and Portfolio Managers and may cause the Funds to invest in any additional investment strategies not listed herein in its own discretion. Strategies employed on behalf of the Funds may differ in terms of style, asset class, geography, concentration, leverage or exposure. Each Portfolio Manager has full discretion to manage capital allocated to it within investment and risk guidelines agreed to by ExodusPoint and the Portfolio Manager. The Funds may retain a significant amount of cash or cash equivalents for hedging or risk management purposes or to preserve future investment opportunities. ExodusPoint anticipates that it will have similar investment discretion over any additional client accounts that it manages.

## **Item 18: Voting Client Securities**

Due to the nature of the services provided to Clients and the trading-oriented nature of ExodusPoint's activities, ExodusPoint's strategies are generally not dependent upon the outcome of proxy contests. ExodusPoint will abstain from voting or affirmatively decide not to vote proxies if ExodusPoint determines that abstention or not voting is in the best interests of the Funds in light of the scope of services to which ExodusPoint and the Funds have agreed. ExodusPoint votes proxies at the request of Portfolio Managers employed by ExodusPoint and will seek to determine whether the proposed vote could introduce potential material conflicts of interest between ExodusPoint and the Fund. ExodusPoint will then decide to vote proxies if doing so would be in the best interest of the Fund.

ExodusPoint has developed written policies and procedures governing its activities in this area. Fund investors may obtain a copy of ExodusPoint's proxy voting policies and procedures upon request.

With respect to class actions, it is generally ExodusPoint's policy to participate in recoveries related to securities and antitrust class actions and to file the necessary claim forms on behalf of the Funds. ExodusPoint has engaged a third party that monitors and files for any class action recoveries. While ExodusPoint has not acted as a lead plaintiff with respect to such actions, it may do so if it determines it is in the best interests of the Funds.

## **Item 19: Financial Information**

ExodusPoint has never filed for bankruptcy and is not aware of any financial condition that is expected to affect its ability to manage client accounts.