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Company Brochure

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This brochure provides information about the qualifications and business practices of Tiberius Asset Management AG (“**TAM**”, “**us**”, “**we**” or the “**Firm**”).

If you have any questions about the contents of this brochure, please contact us at +41 41 560 00 81 or info@tiberiusgroup.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

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

Registration as an investment adviser does not imply that TAM or any of its principals or employees possesses a particular level of skill or training in the investment advisory business or any other business.

Pursuant to an exemption from the Commodities Futures Trading Commission (the “**CFTC**”) in connection with accounts of qualified eligible persons, this brochure is not required to be, and has not been filed with the CFTC. The CFTC does not pass upon the merits of participating in a trading program or upon the adequacy or accuracy of commodity trading advisor disclosure. Consequently, the CFTC not reviewed this trading program or this brochure.

Item 2: Material changes

This brochure update provides information on the Firm's new fund which is planned to be launched in early 2013 and also mentions the Firm's CFTC membership as detailed in the Private Placement Memorandum of the new fund.



Item 3: Table of Contents

Item 2: Material changes.....	2
Item 3: Table of Contents.....	3
Item 4: Advisory Business.....	4
Item 5: Fees and Compensation.....	6
Item 6: Performance Based Fees and Side-by-Side Management	7
Item 7: Types of Clients	9
Item 8: Methods of Analysis, Investment Strategies and Risk of Loss	12
Item 9: Disciplinary Information.....	18
Item 10: Other Financial Industry Activities and Affiliations.....	18
Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	19
Item 12: Brokerage Practices	20
Item 13: Review of Accounts.....	22
Item 14: Client Referrals and Other Compensation.....	22
Item 15: Custody	22
Item 16: Investment Discretion.....	23
Item 17: Voting Client Securities	23
Item 18: Financial Information	23



Item 4: Advisory Business

TAM was founded in 2005 by Christoph Eibl and Markus Mezger. TAM is a Swiss based asset management company domiciled in Zug, Switzerland, holding a licence from the Swiss Financial Market Supervisory Authority (“**FINMA**”) as an asset manager (investment adviser) to collective investment schemes (pooled investment vehicles).

TAM has three affiliate entities under its control and ownership, one in the UK (Tiberius Asset Management Services UK Ltd, London), one in Germany (Tiberius Services AG, Stuttgart) and one in Switzerland (Magma Capital AG, Zug).

The London entity is authorised and regulated by the UK Financial Services Authority (“**FSA**”) as an Advisor and Arranger of Wholesale Funds; the entity does not perform any investment advisory activity.

The Stuttgart entity does not perform any regulated activities and is therefore not authorized by a regulator.

Magma Capital AG provides investment advisory services to the Magma Global Macro Strategy Fund. The Magma Global Macro Strategy Fund has no US investors nor is offered in the US; furthermore Magma Capital AG does not have a US place of business. Therefore Magma Capital AG is not currently SEC registered although may seek registration in the future should circumstances change.

Collectively all the above entities comprise the Tiberius Group (“**Tiberius**” or “**Group**”), for the avoidance of doubt TAM is the parent and controlling company of the Group. Due to TAM controlling the Group, in many cases as TAM and Tiberius are interchangeable however the focus of this brochure is TAM in its own right as TAM is the only SEC registered entity in the Group.

In addition Tiberius is registered with the Commodities Futures Trading Commission (the “**CFTC**”) as both a Commodity Pool Operator and Commodity Trading Adviser.

The Group currently employs 36 staff. Of these 15 are employed by TAM, 5 of which are involved in investment advisory functions.

Both founding partners Christoph Eibl and Markus Mezger hold 46.5% each of TAM. Nicolas Maduz, managing partner of TAM also holds 7% since May 27, 2011. Before May 2011 TAM was fully owned by Christoph Eibl and Markus Mezger (50% each).

TAM specializes in active commodity fund management with global exposure to Energy, Industrial Metals, Precious Metals and Agriculture derivatives. Besides actively managed commodity strategies (long only and long/short) TAM offers commodity fund of funds and fixed income funds. The Group is also able to offer Global macro strategies via the Magma Global Macro Strategy Fund managed by Magma Capital AG. All TAM public funds are based in Luxembourg.

The following is a list of pooled investment vehicles managed by TAM:

Commodity Range	
Fund / Account	Type of fund / Account
Commodity Alpha OP	Luxembourg based FCP Part II open-ended mutual fund
Tiberius Commodity Alpha Euro OP	Luxembourg based FCP Part II open-ended mutual fund
Tiberius Active Commodity OP	Luxembourg based FCP Part II open-ended mutual fund
Tiberius Absolute Return Commodity OP	Luxembourg based FCP Part II open-ended mutual fund
Tiberius Commodity Fund of Funds	Luxembourg based SICAV SIF open-ended mutual fund
Tiberius X-Line-Commodity Timing Long 0-100 Index Fund	Luxembourg based SICAV Part I open-ended mutual fund
Tiberius Commodity Alpha LP and Tiberius Commodity Alpha Ltd (to be launched 2013)	US Delaware and Cayman feeder funds to the Tiberius Commodity Alpha Master Ltd.
Managed Accounts	Various legal structures and locations as agreed with client.

Fixed Income Range	
Fund / Account	Type of fund / Account
Tiberius InterBond OP	Luxembourg based FCP Part I open-ended mutual fund
Tiberius EuroBond OP	Luxembourg based FCP Part I open-ended mutual fund
Managed Accounts	Investment vehicles structured in accordance with German Law – as agreed with client

We offer several public mutual funds in which our clients may invest. If requested we also offer tailored solutions which meet the needs of our clients. This could also include limitations to certain commodity sectors, commodities or asset classes.

TAM does not participate in any wrap fee programs.

All assets of TAM are managed on a discretionary basis. As of 28th September 2012 TAM's total Regulatory Assets under Management ("**RAUM**") was USD 2.3 billion.

Item 5: Fees and Compensation

Management Fees

The Firm charges each fund a management fee based on the Net Asset Value ("**NAV**") of each class within a fund, and this amount is deducted from the portfolio on a monthly basis. The Firm charges the Management Fee in arrears each calendar month based on the NAV at that time.

The fee schedule varies between funds and asset classes within those funds. A summary of the current fee schedule is set out below:

Commodity Range	
Fund / Account	Management Fee range
Commodity Alpha OP	0.85% - 2.00%
Tiberius Commodity Alpha Euro OP	0.85% - 1.80%
Tiberius Active Commodity OP	1.85%
Tiberius Absolute Return Commodity OP	1.05% - 1.65%
Tiberius Commodity Fund of Funds	1.00% - 1.50%
Tiberius X-Line-Commodity Timing Long 0-100 Index Fund	0.65% - 1.70%
Tiberius Commodity Alpha LP and Tiberius Commodity Alpha Ltd	0.8%
Managed Accounts	Fees are negotiable

Fixed Income Range	
Fund / Account	Management Fee range
Tiberius InterBond OP	0.14% - 0.31%
Tiberius EuroBond OP	0.05% - 0.22%
Managed Accounts	Fees are negotiable

Other Fees

The Firm charges the following fees to the funds in addition to the Management Fees and Performance Fees:

Administrator fees

Fees are charged on a sliding scale depending on the amount of assets managed. The administrator will also be reimbursed any reasonable out-of-pocket expenses or costs necessarily incurred in the performance of its duties.

Prime broker and custodian fees

Prime Broker and Custodian fees will not exceed normal commercial rates. They may also levy transaction charges and other charges which can include Value Added Tax.

Research fees

TAM does not pay research fees to third parties.

Other fees and expenses

The Funds have paid and shall pay for their organizational and initial and certain ongoing offering expenses as well as for their operating expenses, including but not limited to, all accounting, auditing, tax preparation, legal, administration, and trading costs. The Funds may incur brokerage and other transaction costs. For further details on the Firm's brokerage practices refer to Item 12 of this Brochure.

TAM will comply with the requirements of Rule 206(4)-2 of the Advisers Act with regards to custody of assets of Clients ("**Custody Rule**").

Item 6: Performance Based Fees and Side-by-Side Management

The Firm is entitled to receive an annual performance allocation with respect to each Fund that is calculated based upon a percentage of the net capital appreciation of the relevant Fund. The performance allocations are charged in compliance with Rule 205-3 of the Investment Advisers Act of 1940, as amended (the "**Advisers Act**").

The performance based fees for the Funds are as follows:

Commodity	
Fund/ Account	Fee range
Commodity Alpha OP	Quarterly performance fee of 15% on positive outperformances (compared to benchmark) and only on the outperformance that exceeds the historic relative high watermark
Tiberius Commodity Alpha Euro OP	Annual performance fee of 20% for performance that exceeds the benchmark and only when annual return is positive and beyond a new previous year's end high watermark
Tiberius Active Commodity OP	Quarterly performance fee of 15% on positive outperformances (compared to the benchmark) and only on the outperformance that exceeds the historic relative high watermark
Tiberius Absolute Return Commodity OP	Quarterly performance fee of 15% on positive outperformances (compared to benchmark) and only on the outperformance that exceeds the historic relative high watermark
Tiberius Commodity Fund of Funds	Annual performance fee of 15% on absolute returns with high watermark
Tiberius X-Line-Commodity Timing Long 0-100 Index Fund	No performance fee
Tiberius Commodity Alpha LP and Tiberius Commodity Alpha Ltd	Quarterly performance fee of 15% on positive outperformances (compared to benchmark) and only on the outperformance that exceeds the historic relative high watermark
Managed Accounts	Fees are negotiable

Fixed Income	
Fund / Account	Fee range
Tiberius InterBond OP	No performance fee
Tiberius EuroBond OP	No performance fee
Managed Accounts	Fees are negotiable

Should any of the shares series within the Funds surpass the hurdle rate and corresponding high watermark (as detailed above) at the end of each fiscal year or quarterly, the Fund will pay to the Investment Manager a performance fee equal to a percentage as specified above (the "**Performance Fee**").

The Performance Fee for the public funds shall be calculated under the aforementioned provisions on every Valuation Date and, provided that a right to a fee exists, shall be put back into the Fund. The returned fee may be withdrawn from the Fund by the Investment Manager quarterly/annually if applicable.

Performance based fee arrangements may create an incentive for TAM to recommend investments which may be riskier or more speculative than those which would be recommended under a different fee arrangement. Such fee arrangements may also create an incentive to favor higher fee paying accounts over other accounts in the allocation of investment opportunities. We have procedures designed and implemented to ensure that all clients are treated fairly and equally, and to prevent this conflict from influencing the allocation of investment opportunities among clients. These procedures include requiring that accounts that are managed in a similar fashion participate in investment opportunities pro rata based on asset size and requiring that, to the extent orders are aggregated, the Fund orders are average priced. Our procedures also require the objective allocation for limited opportunities (such as initial public offerings and private placements) to ensure fair and equitable allocation among accounts. These areas are monitored by the Chief Compliance Officer ("**CCO**").

No other hourly, flat, or asset-based fees are charged to the Funds.

Item 7: Types of Clients

The Firm's clients are the Funds and Managed Accounts (together the "**Funds**"). Each Fund where the Firm acts as an investment adviser specifies minimum subscription limits and the subscription and redemption terms applicable as per their offering memorandum. A brief

description of each fund together with minimum subscription limits and redemption terms are as follows:

Commodity Alpha OP

The Commodity Alpha OP is a Luxembourg based FCP Part II fund. In general the fund does not have a minimum investment limit, however, institutional share classes have different minimum investments. The fund has daily liquidity, orders for subscriptions and redemptions can be placed on a daily basis. Orders which are received no later than cut-off time 10.30 a.m. CET shall be settled at the NAV on the day of the order, as calculated and published on the following bank business day in Luxembourg. Value date is T+3. Early redemption penalties are not applicable.

Tiberius Commodity Alpha Euro OP

The Tiberius Commodity Alpha Euro OP is a Luxembourg based FCP Part II fund. In general the fund does not have a minimum investment limit, however, institutional share classes have different minimum investments. The fund has daily liquidity, orders for subscriptions and redemptions can be placed on a daily basis. Orders which are received no later than cut-off time 10.30 a.m. CET shall be settled at the NAV as calculated on the following valuation day. Value date is T+2. Early redemption penalties are not applicable.

Tiberius Active Commodity OP

The Tiberius Active Commodity OP is a Luxembourg based FCP Part II fund. In general the fund does not have a minimum investment limit, however, share classes may have different minimum investments. The fund has daily liquidity, orders for subscriptions and redemptions can be placed on a daily basis. Orders which are received no later than cut-off time 10.30 a.m. CET shall be settled at the NAV on the date of the order, which is determined and published on the following banking day in Luxembourg. Value date is T+3. Early redemption penalties are not applicable.

Tiberius Absolute Return Commodity OP

The Tiberius Absolute Return Commodity OP is a Luxembourg based FCP Part II fund. In general the fund does not have a minimum investment limit, however, institutional share classes have different minimum investments. The fund has daily liquidity, orders for subscriptions and redemptions can be placed on a daily basis. Orders which are received no later than cut-off time 10.30 a.m. CET shall be settled at the NAV on the date of the order, which is determined and published on the following banking day in Luxembourg. Value date is T+3. Early redemption penalties are not applicable.

Tiberius Commodity Fund of Funds

The Tiberius Commodity Fund of Funds is a Luxembourg based SICAV SIF fund. Due to the legal structure of the fund the minimum investment is equivalent to 125,000 EUR. The fund

has monthly liquidity. Orders received by the Central Administrative Office, the Custodian Bank or one of the Paying Agents no later than 10:30 a.m. CET eight banking days before a valuation day will be settled at the issue price set on that valuation day. Value date is T+12. Early redemption penalties are not applicable.

Tiberius InterBond OP

The Tiberius InterBond OP is a Luxembourg based FCP Part I fund. There is no minimum investment for the share classes. The fund has daily liquidity, orders for subscriptions and redemptions can be placed on a daily basis. Orders received no later than cut-off time 10.30 a.m. CET will be settled at the NAV as calculated on the following valuation day. Value date is T+2. Early redemption penalties are not applicable.

Tiberius EuroBond OP

The Tiberius EuroBond OP is a Luxembourg based FCP Part I fund. There is no minimum investment for the share classes. The fund has daily liquidity, orders for subscriptions and redemptions can be placed on a daily basis. Orders received no later than cut-off time 10.30 a.m. CET will be settled at the NAV as calculated on the following valuation day. Value date is T+2. Early redemption penalties are not applicable.

Tiberius X-Line-Commodity Timing Long 0-100 Index Fund

The Tiberius X-Line-Commodity Timing Long 0-100 Index Fund is a Luxembourg based FCP Part I fund registered in the Grand Duchy of Luxembourg. The minimum subscription limits and subsequent subscription amounts vary between the share classes and are detailed in Appendix III of the fund prospectus dated May 2012. There are no redemption penalties for redemption any of the share classes. The fund has daily liquidity.

Tiberius Commodity Alpha LP and Tiberius Commodity Alpha Ltd

Tiberius Commodity Alpha LP and Tiberius Commodity Alpha Ltd are respectively Delaware and Cayman feeder funds to the Tiberius Commodity Alpha Master Ltd, an exempted company with limited liability incorporated under the laws of the Cayman Islands. Tiberius Commodity Alpha LP and Tiberius Commodity Alpha Ltd both have minimum investment limits of USD 1,000,000 and USD 100,000 for additional investments. Withdrawals must be submitted with at least 30 days notice and subscriptions must be submitted at least 5 business days before the proposed effective date of subscription. Redemptions will be paid at the determined net assets value on the effective date of withdrawal. Early redemption penalties are not applicable.

Managed Accounts

These are negotiated with clients on a case by case basis.

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

The investment strategies adopted by each of the Funds are as follows:

Commodity Alpha OP

The Commodity Alpha OP's investment objective is to create attractive added value through active management in the commodities sector.

The overweighting/underweighting of individual commodity futures is defined within the framework of a quantitative model analyzing both fundamental and technical indicators. In addition, a large number of other indicators are used specifically for individual commodities. The models are geared to different time horizons. Trading signals in the fundamental quantitative models have a horizon of 6 to 18 months. The tactical asset allocation is derived by means of technical models. It is also intended to achieve a higher return by adjusting the investment ratio to the anticipated absolute performance of the commodities markets.

Tiberius Commodity Alpha Euro OP

The Tiberius Commodity Alpha Euro OP's investment objective is to create attractive added value through active management in the commodities sector.

The overweighting/underweighting of individual commodity futures is defined within the framework of a quantitative model analyzing both fundamental and technical indicators. In addition, a large number of other indicators are used specifically for individual commodities. The models are geared to different time horizons. Trading signals in the fundamental quantitative models have a horizon of 6 to 18 months. The tactical asset allocation is derived by means of technical models. It is also intended to achieve a higher return by adjusting the investment ratio to the anticipated absolute performance of the commodities markets.

Tiberius Active Commodity OP

The Tiberius Active Commodity OP's investment objective is to create attractive added value through active management in the commodities sector.

The overweighting/underweighting of individual commodity futures is defined within the framework of a quantitative model that analyzes both fundamental and technical indicators. In addition, a large number of other indicators are used specifically for individual commodities. The models are geared to different time horizons. Trading signals in the fundamental quantitative models have a horizon of 6 to 18 months. The tactical asset allocation is derived by means of technical models. It is also intended to realize additional returns by adjusting the investment ratio to the anticipated absolute performance of the commodities markets.

Tiberius Absolute Return Commodity OP

The Tiberius Absolute Return Commodity OP's investment objective is to earn an absolute positive yield through active management in the commodities sector.

Amongst other things, the selection of individual commodity futures will be determined

within the framework of quantitative models that assess both fundamental as well as technical indicators. In addition, a large number of other indicators are used specifically for individual commodities. The models are geared to different time horizons. Trading signals in the fundamental quantitative models have a horizon of 6 to 18 months. The tactical asset allocation is derived by means of technical models. It is also intended to realize an absolute positive yield by adjusting the investment ratio to the anticipated absolute performance of the commodities markets.

Tiberius Commodity Fund of Funds

The objective of the Tiberius Commodity Fund of Funds' investment policy is to generate attractive capital growth in euros within the framework of a longer-term strategy and provide Shareholders with the profits resulting from the management of their assets. To achieve this target the assets of the Tiberius Commodity Fund of Funds will mainly be invested in units/shares of commodity funds through active management and strategy selection. The fund allocates to a broad range of strategies like long only commodity equities and futures, long/ short equities and futures and relative value.

Tiberius InterBond OP

The objective of the Tiberius InterBond OP is to generate added value through investing principally in the global bond market. For this purpose, the fund invests primarily in fixed-income securities and money-market securities denominated in the currencies of OECD member states. The Tiberius InterBond OP shall be actively managed using a Top-Down approach. Deciding on the currency allocation is the highest priority and deciding on the term structure is the second-highest priority. Subordinate decisions consist of the selection of the market segment and, taking into account the creditworthiness, liquidity and price, the selection of the individual bonds.

Additionally, for investment purposes or duration management purposes the fund may also engage in transactions involving the purchase and the sale of foreign exchange or futures and options on foreign exchange or recognised bond indices.

Tiberius EuroBond OP

The objective of the Tiberius EuroBond OP is to generate added value through investing principally in the European bond market. For this purpose, the fund invests primarily in euro-denominated fixed-income securities and money-market securities. The Tiberius EuroBond OP shall be actively managed using a top-down approach. The highest priority is selecting the term structure. Subordinate decisions consist of the selection of the market segment and, taking into account the creditworthiness, liquidity and price, the selection of the individual bonds.

Additionally, for investment purposes or duration management purposes the fund may also engage in transactions involving the purchase and the sale of futures and options on

recognised bond indices. With respect to the latter, only such bond indices may be considered which meet the statutory and supervisory requirements.

Tiberius X-Line-Commodity Timing Long 0-100 Index Fund

The investment objective of the fund is to achieve a return comparable to the Tiberius Commodity Timing Long 0-100 Index. This is achieved by primarily entering into an Index Portfolio Swap based on the Tiberius Commodity Timing Long 0-100 Index with one or more eligible counterparties as well as managing any securities and instruments linked to this Index and investing the fund's liquidity in a bond portfolio, predominantly consisting of high quality government bonds, issued by OECD member states.

Tiberius Commodity Alpha LP and Tiberius Commodity Alpha Ltd

The principal investment objective of the Tiberius Commodity Alpha Master Ltd (in which the Tiberius Commodity Alpha LP and Tiberius Commodity Alpha Ltd are substantially invested) is to achieve attractive added value returns by trading in the commodities sector. The Investment Manager seeks to achieve the investment objective by trading primarily in futures contracts on commodities, options on commodities futures contracts, similar derivative instruments and government debt instruments. In order to achieve its investment objective investments may be leveraged.

Managed Accounts

These are negotiated with clients on a case by case basis.

Risk of Loss Factors

Investing in securities involves risk of loss that clients should be prepared to bear. Investors should consider the following factors before investing in any of the Funds referred to in this Brochure. The following list of risk factors does not purport to be a complete enumeration or explanation of the risks involved in an investment in each of the Funds. Prospective investors are urged to consult their professional advisers and the Fund prospectus's before deciding to invest in the Funds.

Limited Rights of Investors

Substantially all decisions with respect to the management of the Funds are made exclusively by us. Investors have no right or power to take part in the management of the Funds. We also make all of the trading and investment decisions for the Funds. In the event of our withdrawal or bankruptcy, generally the Funds will be liquidated.

Substantial Changes in Regulation

Regulation of securities markets has undergone substantial change in recent years, and is expected to continue to change. This could add to the costs and regulatory burdens of operating the Investment Vehicles in the future.

Liquidity Risks

Commodity futures exchanges are the world's oldest exchanges. Trading has grown over the decades, especially in 2004 and the following years. Their liquidity is currently sufficient for a Portfolio of several billion USD. However, trading volumes could decline for a number of reasons. Active market players could pull out of the commodity sector, which would mean that rolling a position could only be completed with major discounts. The risk of maturing contracts experiencing a critical liquidity trend is reduced by the fact that open contracts are normally rolled five exchange-trading days before the final trading day. A deterioration in liquidity could come about as a result of margin requirements being raised. This might mean that market players would find themselves forced to sell their positions. Liquidity bottlenecks could also arise if trading houses with close links to the physical markets were to scale back their operations. Finally, there could be a decline in trading volumes if regulatory measures were to result in restrictions or a prohibition on the final consumption of certain commodities or on trading in those commodities.

Long Term Investments

The Fund will frequently require longer-term holding periods for its positions in order to be successful and positions may experience considerable price volatility over such holding periods. An investment in the Fund, therefore, may not be appropriate for investors requiring short-term liquidity or stable returns.

Short Selling

Our investment program involves entering into transactions known as "short sales" in which a Fund sells a security it does not own in anticipation of a decline in the market value of the security. Short sales that are not made "against the box" theoretically involve unlimited loss potential since the market price of securities sold short may continuously increase. Under adverse market conditions, it may be difficult or impossible to purchase securities to meet short sale delivery obligations. Furthermore, a Fund might have to sell portfolio securities to raise the capital necessary to meet its short sale obligations at a time when fundamental investment considerations would not favor such sales.

Derivatives

We invest in derivative instruments. Derivative instruments or "derivatives" include futures, options, swaps, structured securities and other instruments and contracts that are derived from, or the value of which is related to, one or more underlying securities, financial

benchmarks, currencies or indices. Derivatives allow an investor to hedge or speculate upon the price movements of a particular security, financial benchmark currency or index at a fraction of the cost of investing in the underlying asset. The value of a derivative depends largely upon price movements in the underlying asset. Therefore, many of the risks applicable to trading the underlying asset are also applicable to derivatives of such asset. However, there are a number of other risks associated with derivatives trading, including liquidity risk and counterparty risk.

Operational Risk

Operational risks include the possibility of errors in the confirmation, settlement, booking, evaluation, and accounting of transactions; other similar disruptions in the fund's operations may also lead to mistakes. These events may cause the Funds to suffer financial loss, disruption of business, liability to clients or third parties, regulatory intervention, and reputational damage.

Investment and Trading Risks in General

All investments involve risk, including the risk that the entire amount invested may be lost. The Funds invest in and actively trade futures and other financial instruments using investment techniques with risk characteristics, including risk arising from the volatility of the commodities markets, risk of borrowing, potential illiquidity of instruments, and risk of loss from counterparty defaults.

Factors Affecting Commodities Prices

The values of commodities which underlie the commodity futures contracts and other types of financial instruments in which the Funds invest are generally affected by the cost of producing commodities, changes in consumer demand for commodities, hedging and trading strategies of producers and consumers of commodities, speculative trading in commodities by commodity pools and other market participants, disruptions in commodity supply, weather and climate conditions, changes in interest rates, rates of inflation, currency devaluations and revaluations, embargoes, tariffs, regulatory developments, governmental, agricultural, trade, fiscal, monetary and exchange control programs and policies, political and other global events and global economic factors, among other factors.

Agricultural Commodities

Agricultural commodities are particularly sensitive to changes in, among other things, climate, crop and livestock health, world political events, government action (including export and import restrictions and embargoes), international and regional trade contracts, labor contracts, transportation systems and crop predictions.

Current Market Conditions and Governmental Actions

Beginning in the fall of 2008, world financial markets have experienced extraordinary market conditions, including, among other things, extreme losses and volatility in securities markets and the failure of credit markets to function. Investors unable to bare these losses should not invest in the Funds.

Dependence on Developing Countries

The level of commodity prices can fluctuate widely due to supply and demand disruptions in major producing or consuming regions. In particular, recent growth in industrial production and gross domestic product has made many developing countries, particularly China, disproportionately large consumers of commodities and has increased the extent to which commodity prices are dependent on the markets of those developing countries. The price volatility may increase the potential losses by the Funds.

Commodity Interests are Volatile

Investors are fully exposed to the price opportunities and risks of the commodity sector. Commodities have the highest volatility of any asset class. Commodity indices have a similar risk-return profile to US equities, as reflected by the Dow Jones Industrials index.

The distribution of returns of commodities has also exhibited skewness in recent years, i.e. strong return movements have tended to be more in an upwards than a downwards direction. There are a number of conceivable scenarios which could involve a marked fall in commodity prices persisting over several years. These include a period of recession or depression for the global economy and technological breakthroughs leading to a sustained fall in demand for commodities.

Leverage; Interest Rates; Margin

The Funds may borrow money to make investments when the Investment Manager believes that the potential return of an investment is particularly favorable. The use of leverage has attendant risks and can substantially increase the adverse impact to which the investment portfolio may be subject. In addition to the extent the Funds use leverage, they are subject to the risk of changes in the level of interest rates that may adversely affect expenses and operating results.

Counterparty/Margin Risks

Organised futures exchanges do not normally give rise to any direct counterparty risks as a clearing house acts as intermediary. In the event of extreme price movements, the functioning of the clearing houses could be impaired as individual market players would be unable to lodge collateral (margins) requested at short notice. In this situation, futures contracts on commodities could trade at a price discount compared with the physical commodity owing to the risk of default.

In extreme cases, the margin could be raised to 100% of the contract value. The Fund might be forced to sell its entire bond portfolio, regardless of its performance, and lodge the proceeds in margin accounts, which in extreme cases earn no interest. OTC transactions are subject to counterparty and default risks, depending on the creditworthiness of the trading partners.

Currency Risks

The Fund trades the bulk of the relevant commodity futures contracts in USD. Non-US dollar commodity contracts are traded on, among others, the British futures exchange LIFFE in GBP, the Japanese exchanges TOCOM, TGE and YCE in JPY, the Australian exchange SFE in AUD and the Canadian exchange WCE in CAD. The investment manager aims to hold most of the Fund's assets – cash and margin accounts and the bond portfolio – in US dollars. This means that, quite apart from the performance of the commodity futures portfolio, fund investors have substantial exposure to the opportunities and risks of the US currency. For example, if the US dollar were to lose ground against the investor's reference currency (normally the euro), this could result in considerable losses even if commodity prices remained unchanged.

Physical Delivery

As a matter of principle the investment manager aims to close commodity futures contracts five exchange trading days before the final day of trading so that no “physical delivery” takes place. Maturing contracts will be separated off into a monitoring loop no later than ten exchange-trading days before the official end of trading. A close order will be generated no later than two days before final trading. Thereby the Fund will never take any kind of “physical delivery”.

Item 9: Disciplinary Information

The Firm has not been subject to any disciplinary action, whether criminal, civil or administrative (including regulatory) in any jurisdiction. Likewise, no persons involved in the management of the Firm have been subject to such action.

Item 10: Other Financial Industry Activities and Affiliations

Christoph Eibl, CEO, and Markus Mezger, CIO, both own part of Tullius Walden Bank (“Tullius”), 30% and 10% respectively. Christoph sits on the Executive Management Board and Markus on the Supervisory Board. Tullius is domiciled in Stuttgart, Germany and since the commencement of its business activities in December 2011 has been regulated as a registered financial institution by BaFin, the German regulator. Tullius is a financial services provider offering trade execution and research.

Whilst Tullius is used on an arm's length basis as a broker to TAM, TAM has no dealings with Tullius in connection with advisory services provided to clients, do not conduct shared

operations or premises, do not refer clients between one another and we have no reason to believe that this relationship creates a conflict of interest with our clients. However for transparency purposes the disclosure of this holding in Tullius by Christoph and Markus is disclosed here, in the miscellaneous section of Section D in the form ADV1 and in the brochure supplements for Christoph and Markus.

In light of the above our Best Execution and Fair Allocation Policy provides for such a potential conflict of interest with specific disclosure and selection procedures. The Firm maintains a record of any potential conflicts of interest, including external appointments held by all staff, including the management persons listed above. This list is updated when necessary and completeness is confirmed on an annual basis. None of the relationships notified to the Firm, by the individuals concerned, create a material conflict of interest between the Firm and its clients or between clients.

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

Code of Ethics & Personal Trading

The Firm has adopted a Code of Ethics and Employee Investment Policy that establishes various procedures with respect to investment transactions in accounts in which our employees or related persons have a beneficial interest or accounts over which an employee has investment discretion.

The foundation of the Code of Ethics and Employee Investment Policy is based on the underlying principles that:

- Employees must at all times place the interests of the clients first;
- Employees must make sure that all personal securities transactions are conducted consistent with the Code of Ethics and Employee Investment Policy; and
- Employees should not take inappropriate advantage of their position at TAM.

All TAM employees deemed to be “**Access Persons**” are required to adhere to a comprehensive Code of Ethics and Employee Investment Policy, which covers the duty of confidentiality as well as personal trading. All employees are required to certify their adherence to the Code of Ethics and Employee Investment Policy upon commencement of employment and quarterly thereafter.

In general, employees (and members of their immediate households) are permitted to invest in equities, options or futures but must obtain written approval from the CCO and Executive Management. The spirit of the Code of Ethics and the Employee Investment Policy is to discourage frequent trading in employee personal accounts.

This policy does not apply to transactions involving government securities or open-end mutual funds, ETFs or other instruments which afford the investor no discretion over individual securities transactions.

Employees must also obtain approval from the CCO and Executive Management before engaging in any outside business activities or receiving an allocation of an Initial Public Offering (“IPO”).

Insider Trading Policies and Procedures

TAM maintains Insider Trading policies and procedures (the “**Insider Trading Policies**”) that are designed to prevent the misuse of material, non-public information. Among other things, such policies seek to control and monitor the flow of inside information to and within TAM, as well as prevent trading based on inside information. Accordingly, we may not have access to inside information that other market participants or counterparties are eligible to receive. On a periodic basis, our employees are required to certify to their compliance with the Compliance Manual, Code of Ethics and Employee Investment Policy, including the Insider Trading Policies.

Our Code of Ethics and Employee Investment Policy is available to clients upon request.

Privacy Policy

The Firm is committed to maintaining the confidentiality, integrity and security of our investor’s personal information. It is our policy to collect only information necessary or relevant to our management business and use only legitimate means to collect such information. The Firm does not disclose any non-public personal information about investors or former investors to anyone except for servicing and processing transactions and as required by law. We restrict access to non-public personal information about investors to those employees with a legitimate business need for the information. We maintain security practices, physical, electronic, and procedural safeguards to guard Investor’s non-public personal information.

Upon request, we will provide you with a copy of our privacy policy.

Item 12: Brokerage Practices

As an adviser and a fiduciary to the Funds, we require that the Funds’ interests must always be placed first and foremost, and our trading practices and procedures prohibit unfair trading practices and seek to disclose and avoid any actual or potential conflicts of interests or resolve such conflicts in the Funds’ favor. We have adopted the following policies and practices to meet the Firm’s fiduciary responsibilities and to ensure our trading practices are fair to all Funds and that no Fund or account is advantaged or disadvantaged over any other.

Aggregation

The aggregation or blocking of client transactions allows an adviser to execute transactions in a more timely, equitable, and efficient manner and seeks to reduce overall commission charges to the Funds. Our policy is to aggregate Fund transactions where possible and when advantageous to the Funds. In these instances, Funds participating in any aggregated transactions will receive an average price and transaction costs will be shared equally and on a pro-rata basis.

Allocation

Our policy prohibits any allocation of trades in a manner that results in more favorable treatment for our proprietary accounts, affiliated accounts, or any Fund.

We have adopted a policy for the fair and equitable allocation of transactions that generally analyses each trade, taking into consideration the specifics of each trade and the characteristics of each Fund. To the extent that multiple Funds participate in a particular transaction such transaction will generally be allocated pro-rata among such Funds, unless facts specific to the transaction and Funds warrant an alternative allocation methodology.

Best Execution

As an investment advisory firm, we have a fiduciary duty to seek best execution for client transactions. As a matter of policy and practice, we seek to obtain best execution for client transactions, i.e., seeking to obtain not necessarily the lowest commission but the best overall qualitative execution in the particular circumstances. Other components that we analyze in seeking best execution are timeliness of having a transaction executed by a broker, the value of research provided, the responsiveness of the broker to us and the financial responsibility of the broker.

Principal Trading

Our policy and practice is to not engage in any principal transactions.

Soft Dollars

The Funds are permitted to use “**soft dollars**” generated by trading activities to purchase research services or products that would otherwise have been an expense of TAM. We intend to keep any such arrangements within the parameters of Section 28(e) of the United States Securities Exchange Act of 1934, as amended.

Generally, research services provided by broker-dealers may include information on the economy, industries, groups of securities, individual companies, statistical information, accounting and tax law interpretations, political developments, legal developments affecting portfolio securities, technical market action, pricing and appraisal services, credit analysis, risk measurement analysis, performance analysis, and analysis of corporate responsibility

issues. Such research services are received primarily in the form of written reports, telephone contacts, industry conferences, and personal meetings with security analysts. In addition, such research services may be provided in the form of access to various computer-generated data, software, and meetings arranged with corporate and industry spokespersons, economists, academicians, and government representatives. The receipt of such research services (and brokerage) will be subject to, and limited by, prevailing interpretive guidance provided by the SEC as falling within Section 28(e).

However, although permitted to do so, the funds do not use soft dollars and there are no current plans to commence.

Trade Errors

As a fiduciary, we have the responsibility to effect orders correctly, promptly and in the best interests of the Funds. In the event any error occurs in the handling of any Fund transactions, due to our actions, or inaction, or actions of others, our policy is to assess each trade error on a case-by-case basis.

Item 13: Review of Accounts

We review the Funds on a continual basis to assure conformity with investment objectives and guidelines. We engage in active management for the Funds and, accordingly review our transactions, positions and cash balances on a daily basis.

Reporting

We will distribute an audited financial report for each Fund with respect to the previous fiscal year to all investors in such Fund within 120 days of year-end. For some funds this is semi-annually, annually is the minimum. In addition, we will also use commercially reason

Item 14: Client Referrals and Other Compensation

TAM uses a third party marketer in the USA. Compensation for their services is paid on a monthly retainer basis along with a share in our management fees in the case of a successful client introduction. Said third party marketer in the USA is part of a broker dealer which is registered FINRA and SIPC.

Item 15: Custody

TAM does not have direct custody over any assets but will comply with the requirements of the Rule 206(4)-2 of the Advisers Act with regards to custody of assets of the Investment Vehicles ("**Custody Rule**").

We currently use the following Custodians:

- Sal. Oppenheim jr. & Cie S.C.A., Luxembourg

- RBC Dexia Investor Services Bank S.A., Zurich
- BCEE Banque et Caisse D'argne de l'etat Luxembourg
- J P Morgan AG, Frankfurt
- J P Morgan Bank, Luxembourg

We also use the following clearers:

- Goldman Sachs International
- Deutsche Bank AG London

These counterparties will provide, among other things, clearing, custodial and record keeping services.

Annually, upon completion of each Funds' annual audit, TAM will distribute the audited financials to investors in the Funds.

The CCO shall ensure that the Funds' audited financials are delivered to all investors within 120 days of the fiscal year end.

Item 16: Investment Discretion

We generally have discretionary authority to determine, without obtaining specific consent, securities to be bought or sold, the amount of securities to be bought or sold, broker-dealer to be used and the commission rates paid. Any limitations on authority are included in each Funds' investment management agreement, or governing documents, as applicable.

Item 17: Voting Client Securities

The Firm's authority to vote proxies for the Funds is established by the investment advisory agreements, or comparable documents. The Firm has established proxy voting policies and procedures. The proxy voting procedures are designed to ensure that proxies are voted in the best interest of the Funds. The Firm analyzes proxies on a case-by-case basis.

Upon request, the Firm will provide an Investor with a copy of the proxy voting policies and procedures and/or a record of all proxy votes cast by the Funds.

As the Funds invest mainly in commodity derivatives they are unlikely to cast any proxy votes.

Item 18: Financial Information

Registered investment advisers are required in this item to provide you with certain financial information or disclosures about Firm's financial condition.

The Firm does not require or solicit pre-payment of any type of client fees in advance. The Firm has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.

