



LMR Partners LLC

**524 Broadway,
New York, NY 10012**

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This “**Brochure**” provides information about the qualifications and business practices of LMR Partners LLC. If you have any questions about the contents of this Brochure, please contact our Chief Compliance Officer (“**CCO**”) by email at compliance@lmrpartners.com . Information in this Brochure has not been approved or verified by the U.S. Securities and Exchange Commission (“**SEC**”) or by any state securities authority.

LMR Partners LLC has applied as an “Investment Adviser Expecting to be Eligible for Commission Registration within 120 Days” with the SEC. Registration as an investment adviser does not imply that LMR Partners LLC or any of its principals or employees possesses a particular level of skill or training in the investment advisory business or any other business.

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

Item 2: Material Changes

This Brochure is our initial Form ADV Part 2A, which has been submitted with our application for registration with the SEC; therefore, there are no material changes to report. In the future, if the Brochure – when amended in conjunction with our annual update – contains material changes from our last annual update, we will identify and discuss those changes.

Item 3: Table of Contents

Item 2: Material Changes	2
Item 4: Advisory Business.....	4
Item 5: Fees and Compensation.....	6
Item 6: Performance-Based Fees and Side-By-Side Management.....	8
Item 7: Types of Clients	9
Item 8: Methods of Analysis, Investment Strategies and Risk of Loss	10
Item 9: Disciplinary Information.....	18
Item 10: Other Financial Industry Activities and Affiliations.....	19
Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	20
Item 12: Brokerage Practices.....	22
Item 13: Review of Accounts.....	24
Item 14: Client Referrals and Other Compensation	25
Item 15: Custody	26
Item 16: Investment Discretion.....	27
Item 17: Voting Client Securities	28
Item 18: Financial Information	29

Item 4: Advisory Business

LMR Partners LLC is a Delaware limited liability company formed in 2017 (hereinafter “**LMR US**,” “**we**,” “**us**,” “**our**” or the “**Firm**”) which under a proposed agreement (“**Agreement**”) between LMR Partners LLC and LMR Partners (Offshore) Limited (the “**Manager**”) has discretionary authority to trade on behalf of private pooled investment vehicles.

The LMR Investment Group consists of five entities:

- **LMR Partners (Offshore) Limited** – an exempted company incorporated under the laws of the Cayman Islands (“**Manager**”);
- **LMR Partners LLP** (“**UK Investment Manager**”);
- **LMR Management Services Limited** – A limited company incorporated in the United Kingdom and a Corporate Member of LMR Partners LLP;
- **LMR Partners LLC** – (“**US Investment Manager**”) and
- **LMR Partners Limited** (“**HK Investment Manager**”)

The appointed Manager, LMR Partners (Offshore) Limited has entered into agreements with LMR Partners LLC, a Delaware limited partnership, LMR Partners LLP, a United Kingdom entity regulated by the Financial Conduct Authority (“**FCA**”), and LMR Partners Limited, a Hong Kong regulated entity (collectively the “**LMR investment group**” or “**LMR**”) to provide advisory services to its funds.

LMR US serves as a co-investment adviser, with discretionary trading authority, to the following private pooled investment vehicles, the securities of which are offered to qualified investors on a private placement basis: LMR Fund Limited, a Cayman Islands exempted company (the “**Feeder Fund**”) and LMR Master Fund Limited, a Cayman Islands exempted company (the “**Master Fund**” and, collectively with the Feeder Fund where applicable, the “**Fund**” or “**Funds**”).

The Offshores Fund’s “**Shareholders**” and any potential future Onshore Fund’s “**Limited Partners**” are hereafter collectively referred to as the “**Investors**” where appropriate. We will not tailor our advisory services to the individual needs of any particular Investor.

*This Brochure does not constitute an offer to sell or a solicitation of an offer to buy any securities. The securities of the Funds are offered and sold on a private placement basis under exemptions promulgated under the “**Securities Act**” of 1933 and other applicable state, federal or non-U.S. laws. Significant suitability requirements apply to prospective Investors in the Funds, including requirements that they be “**accredited investors**” as defined in Regulation D of the Securities Act, “**qualified purchasers**” as defined in the Investment Company Act of 1940, or non-“**U.S. Persons**” as defined in Regulation S of the Securities Act. Persons reviewing this Brochure should not construe this as an offer to sell or a solicitation of an offer to buy the securities of any of the Funds described herein. Any such offer or solicitation will be made only by means of a confidential memorandum.*

For additional details regarding our investment objective and processes, please see Item 8 below and the applicable offering documents for the Funds.

LMR US may in the future provide investment advice to one or more separately managed accounts, funds or single investor clients. All current, and future, LMR clients, including the Fund, are referred to herein collectively as “**Clients**” or “**Client**” unless otherwise specified.

The descriptions set forth in this Brochure of specific advisory services that we offer to our clients, and investment strategies pursued and investments made by us on behalf of our clients, should not be understood to limit in any way our investment activities. We may offer any advisory services, engage in any investment strategy and make any investment, including any not described in this Brochure, that we consider appropriate, subject to each client's investment objectives and guidelines. The investment strategies we pursue are speculative and entail substantial risks. Clients should be prepared to bear a substantial loss of capital. There can be no assurance that the investment objectives of any client will be achieved.

We do not currently participate in any Wrap Fee Programs.

Item 5: Fees and Compensation

The fees applicable to each Fund are set forth in detail in each Fund's offering documents. A brief summary of such fees is provided below.

Management Fee

Generally, the Manager receives a Management Fee equal to $\frac{1}{12}$ of 2 per cent of the Net Asset Value of each series of Shares in the Fund and calculated as at the last Valuation Day in each calendar month, before deduction of that month's Management Fee and before deduction of any accrued Performance Fees.

LMR US and its employees do not accept compensation, including sales charges or service fees, from any person for the sale of securities or other investment products.

In LMR Partners' sole discretion, the Management Fee may be waived, reduced or calculated differently with respect to certain clients.

Performance Compensation

The Manager is also entitled to receive a Performance Fee from the Fund payable annually in arrears in respect of each calendar year.

For each Calculation Period, the Performance Fee in respect of each series of Shares is equal to the Relevant Percentage of the appreciation in the Net Asset Value of that series of Shares during the Calculation Period above the Base Net Asset Value of that series of Shares. The "Relevant Percentage" is 30 per cent in respect of Class D Shares, Class E Shares and Class F Shares and 20 per cent in respect of Class A Shares, Class B Shares and Class C Shares. The "Base Net Asset Value" of a series of Shares is the greater of (i) the Net Asset Value of that series of Shares at the time of issue and (ii) the highest Net Asset Value of that series of Shares achieved as at the end of any previous Calculation Period (if any) during which such series was in issue, adjusted appropriately in respect of any redemptions of Shares of that series. The Performance Fee in respect of each Calculation Period is calculated by reference to the Net Asset Value of each series of Shares before deduction of any accrued Performance Fee. The Performance Fee is payable to the Manager in arrears within 15 Business Days of the end of each Calculation Period. However, in the case of Shares redeemed, exchanged or transferred during a Calculation Period, the accrued Performance Fee in respect of those Shares is payable within 15 Business Days of the date of redemption, exchange or transfer, as the case may be. In the event of a partial redemption, Shares will be redeemed on a "first-in-first-out" basis unless the redeeming Shareholder advises the Administrator otherwise in writing.

The Manager will share the Management Fee and the Performance Fee with the Investment Managers. The Manager and the Investment Managers may from time to time and at their sole discretion and out of their own resources decide to rebate to intermediaries and/or Shareholders part or all of the Management Fee and/or the Performance Fee. Any such rebates may be applied in paying up additional Shares to be issued to the Shareholder, or may (at the discretion of the Manager or the Investment Manager) be paid in cash.

Other Types of Fees or Expenses

The Fund also pays the costs and expenses of (i) all transactions carried out by them or on their behalf and (ii) the administration of the Fund, including (but not limited to) (a) the charges and expenses of legal advisers, accountants and auditors, (b) brokers' commissions (if any), borrowing charges on securities sold short and any issue or transfer taxes chargeable in connection with any securities transactions, (c) all taxes and corporate fees payable to governments or agencies, (d) Directors' fees and expenses, (e) interest on borrowings, including borrowings from a Prime Broker and Custodian, (f) communication expenses with respect to investor services and all expenses of meetings of Directors and Shareholders and of preparing, printing and distributing financial and other reports, proxy forms, prospectuses and similar documents, (g) the cost of insurance (if any) for the benefit of the Directors, (h) litigation and indemnification expenses and extraordinary expenses not incurred in the ordinary course of business, (i) the cost of obtaining and maintaining the listing of the Shares on any stock exchange, (j) fees and expenses incurred by the Firm in connection with the provision of their investment management services to the Fund including, without limitation, investment research and data expenses and (k) all other organisational and operating expenses. These other fees and expenses, as well as dealing commissions and other non-monetary benefits, payable by the Fund are charged at normal commercial rates. The Fund bears its proportionate share of any fees, charges and expenses incurred by the Fund through its investment therein (which, in the absence of any other feeder fund or other investor in the Master Fund, will be all of them).

There is no maximum amount of fees, charges and expenses that will be borne (directly or indirectly) by Investors of the Fund, and the aggregate amount will depend on a number of factors, including without limitation portfolio turnover, the level of borrowings, the value of short sales and the operational and organisational requirements of the Fund.

We may, in our sole and absolute discretion, bear any of the Funds' expenses described above; provided that, if we bear any such expenses, we will not be required to continue to bear such expenses and may thereafter cause the Funds to bear such expenses.

Neither the Firm nor its employees accept compensation, including sales charges or service fees, from any person for the sale of securities or other investment products.

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

We and our affiliates accept performance-based compensation from every Client (other than clients that are not assessed performance-based compensation because it is assessed through another entity in a single master-feeder or similar structure). As a result, we and our affiliates do not face certain conflicts of interest that may arise when an investment adviser accepts performance-based fees from some clients, but not from other clients.

Item 7: Types of Clients

We provide investment advice to private investment pools, as described in Item 4 above.

However, we may in the future provide investment advice to one or more separately managed accounts, funds or single investor funds.

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

The descriptions set forth in this Brochure of specific advisory services that we offer to clients, and investment strategies pursued and investments made by us on behalf of our clients, should not be understood to limit in any way our investment activities. We may offer any advisory services, engage in any investment strategy and make any investment, including any not described in this Brochure, that we consider appropriate, subject to each client's investment objectives and guidelines. The investment strategies we pursue are speculative and entail substantial risks. Clients should be prepared to bear a substantial loss of capital. There can be no assurance that the investment objectives of any client will be achieved.

Investment Objective

The following is a summary of the investment strategies and methods of analysis employed by us on behalf of our Clients. Certain Clients pursue only some of these investment strategies. We invest all of our assets (to the extent not retained in cash) in the ordinary shares of the Fund. Our investment objective is to seek to achieve capital appreciation with an absolute return focus. We aim to achieve this objective by investing in securities and other financial instruments on a global basis.

Investment Philosophy

Our investment philosophy is to take discretionary views on a range of factors from global macro factors (e.g. moves in bonds and equities around economic numbers, technical market events) to micro factors (e.g. value, momentum, performance around events such as earnings announcement dates). Views on the macro factors are expressed via liquid global listed assets such as bond and equity futures, whereas views on micro factors are expressed in an optimised, market neutral, long-short global equity portfolio that is constructed with the aim of minimising risk and maximising expected return.

We believe that the intersection of discretionary investment with systematic trading benefits us in the implementation of our investment philosophy. We use screening methods, portfolio construction techniques and automated execution to enhance the macro component of the portfolio, whilst taking the discretionary overlay provided by the macro views into account when taking positions in the micro systematic portfolio.

Material, Significant or Unusual Risks Relating to Investment Strategies and Risks Associated with Particular Types of Securities.

We have a Risk Committee ("**Risk Committee**") and have adopted unique risk policies for the Fund, which include, *inter alia*, concentration, liquidity and stop-loss limits relevant to that Fund's trading strategy. However, as with any investment, the Fund's investment strategies have the potential for complete loss of capital.

Complete descriptions of the risks associated with investment in a Fund are included in each Fund's offering documents, subscription agreement, or other constituent documents. Some or all of the following risks may be applicable to a Fund depending upon its investment program and restrictions.

The following risk factors do not purport to be a complete list or explanation of the risks involved in an investment in the Clients advised by us. These risk factors include only those risks we believe to be material, significant or unusual and relate to particular significant investment strategies or methods of analysis employed by us.

Risk of Loss Factors

Risk management and portfolio construction are core to the philosophy. We believe that monitoring Value at Risk is not sufficient, and monitor the portfolio continually for exposures to a range of factors. In particular, they impose limits on single asset size, exposure to any single factor and total portfolio size.

We consider the liquidity of the Fund to be paramount, and generally aim to construct the portfolio such that investments could be implemented and unwound with minimal market impact.

Borrowing and Leverage

We do not intend to leverage our capital, through borrowing or otherwise.

We may employ leverage in circumstances where we deem it appropriate to do so in pursuit of the investment objective, philosophy and strategies.

We may leverage our capital by borrowing, including (but not limited to) margin lending agreements, collateralised borrowing, securities lending and through the use of futures, forwards, contracts, options and other derivative instruments.

We may employ leverage by borrowing funds from brokerage firms, banks and other financial institutions and/or through the use of derivatives and other non-fully funded instruments. In each case, leverage may be obtained on a secured or unsecured, and collateralised or uncollateralised basis. Leverage obtained through borrowing is obtained from the relevant lender. Leverage obtained through the use of derivatives and other non-fully funded instruments is obtained from the relevant counterparty.

We may use borrowing for the purpose of making investments. The use of borrowing creates special risks and may significantly increase investment risk. Borrowing creates an opportunity for greater yield and total return but, at the same time, will increase our exposure to capital risk and interest costs. Any investment income and gains earned on investments made through the use of borrowings that are in excess of the interest costs associated therewith may cause the Net Asset Value of the Shares to increase more rapidly than would otherwise be the case. Conversely, where the associated interest costs are greater than such income and gains, the Net Asset Value of the Shares may decrease more rapidly than would otherwise be the case.

Collateral and Asset Re-use Arrangements

Our collateral and asset re-use arrangements vary according to the identity of the trading counterparty or broker.

We may from time to time be required to deliver collateral to our trading counterparties and/or brokers (including, but not limited to, the Prime Brokers and Custodians) under the terms of the relevant agreements (including, but not limited to, ISDA master agreements, global master securities lending agreements, credit support documentation and/or securities lending, repurchase, foreign exchange and/or futures clearing agreements), by posting initial margin and/or variation margin and on a daily mark-to-market basis. We may deliver such collateral by way of title transfer or by way of security interest (and in certain circumstances

may grant a right of re-use of such collateral) to a trading counterparty or broker. The treatment of such collateral varies according to the type of transaction and where it is traded. There are generally no restrictions on the re-use of collateral by trading counterparties and brokers.

Currency Hedging

The base currency of the Fund is the US Dollar. We may seek to hedge the foreign currency exposure of the Fund to currencies other than the base currency through the use of spot and forward foreign exchange contracts or other methods of reducing exposure to currency fluctuations. In addition, assets of the Fund attributable to the Euro Shares or the Sterling Shares will be exposed to possible adverse currency fluctuations between the Euro or Sterling, respectively, the currency in which the relevant Shares are denominated, and the US Dollar, the base currency of the Fund. We may seek to hedge this exposure with the aim of minimising the impact thereof on the Net Asset Value per Share of the Euro Shares and the Sterling Shares.

Investment through Other Vehicles

We may invest in other funds or vehicles which are managed or co-managed by the Manager, one or more Investment Managers or one of their affiliates, or by a third party.

Any fund or vehicle in which we may invest may be open-ended or closed-ended, listed or unlisted and may employ leverage. Subject to the arrangements relating to the management fee and performance fee for funds and vehicles managed by the Manager, one or more Investment Managers or one of their affiliates, the Fund will be subject to the costs and expenses of operating any such fund or vehicle.

We may, in order to implement our investment strategy in an efficient manner, invest indirectly through trading subsidiaries where it is considered that this would be commercially or tax efficient or provide a practicable means of access to a particular security.

Availability of Investment Strategies

Our success depends on our ability to identify overvalued and undervalued investment opportunities and to exploit price discrepancies in the financial markets, as well as to assess the import of data that may affect the financial markets. Identification and exploitation of the investment strategies involves a high degree of uncertainty. No assurance can be given that we will be able to locate suitable investment opportunities in which to deploy assets or to exploit discrepancies in the securities and derivatives markets. A reduction in liquidity or the pricing inefficiency of the markets in we seek to invest, as well as other market factors, will reduce the scope for our investment strategies.

Concentration of Investments

We invest our assets in the ordinary shares of the Fund, and accordingly is not diversified. Although it is our policy to diversify its investment portfolio, the Fund may at certain times hold relatively few investments. We could be subject to significant losses if it holds a large position in a particular investment that declines in value or is otherwise adversely affected, including default of the issuer.

Currency Exposure

The Shares are denominated in Euro, US Dollars and Sterling, and Shares will be issued and redeemed in those currencies. Certain of the assets may, however, be invested in securities and other investments which are denominated in currencies other than Euro, US Dollars or Sterling. Accordingly, the value of such assets may be affected favourably or unfavourably by fluctuations in currency rates. We may generally seek to hedge its foreign currency exposure but is necessarily subject to foreign exchange risks. In addition, prospective investors whose assets and liabilities are predominantly in other currencies should take into account the potential risk of loss arising from fluctuations in value between the Euro, the US Dollar or Sterling and such other currencies.

Derivatives

We may utilise both exchange-traded and over-the-counter derivatives, including, but not limited to, futures, forwards, swaps, options and contracts for differences, as part of its investment policy. Over-the-counter derivative instruments which we may invest in include, but are not limited to, interest rate derivatives, volatility derivatives and credit derivatives. These instruments can be highly volatile and expose investors to a high risk of loss. The low initial margin deposits normally required to establish a position in such instruments permit a high degree of leverage. As a result, depending on the type of instrument, a relatively small movement in the price of a contract may result in a profit or a loss which is high in proportion to the amount of funds actually placed as initial margin and may result in unquantifiable further loss exceeding any margin deposited. In addition, daily limits on price fluctuations and speculative position limits on exchanges may prevent prompt liquidation of positions resulting in potentially greater losses. Transactions in over-the-counter contracts may involve additional risk as there is no exchange market on which to close out an open position. It may be impossible to liquidate an existing position, to assess the value of a position or to assess the exposure to risk. Contractual asymmetries and inefficiencies can also increase risk, such as break clauses, whereby a counterparty can terminate a transaction on the basis of a certain reduction in Net Asset Value, incorrect collateral calls or delays in collateral recovery. We may also sell covered and uncovered options on securities. To the extent that such options are uncovered, we could theoretically incur an unlimited loss.

Forward Foreign Exchange Contracts

We may enter into forward foreign exchange contracts. A forward foreign exchange contract is a contractually binding obligation to purchase or sell a particular currency at a specified date in the future. Forward foreign exchange contracts are not uniform as to the quantity or time at which a currency is to be delivered and are not traded on exchanges. Rather, they are individually negotiated transactions. Forward foreign exchange contracts are effected through a trading system known as the interbank market. It is not a market with a specific location but rather a network of participants electronically linked. Documentation of transactions generally consists of an exchange of telex or facsimile messages. There is no limitation as to daily price movements on this market and in exceptional circumstances there have been periods during which certain banks have refused to quote prices for forward foreign exchange contracts or have quoted prices with an unusually wide spread between the price at which the bank is prepared to buy and that at which it is prepared to sell. Transactions in forward foreign exchange contracts are not subject to comprehensive regulation nor are they guaranteed by an exchange or clearing house. We will be subject to

the risk of the inability or refusal of its counterparties to perform with respect to such contracts. Any such default would eliminate any profit potential and compel us to cover our commitments for resale or repurchase, if any, at the then current market price. These events could result in significant losses.

Illiquidity

There is currently no active secondary market for the Shares and it is not expected that such a market will develop.

Interest Rate Risk

Changes in the interest rates can affect the value of our investments in fixed income instruments. Unexpected increases or decreases in interest rates may cause the value of our investments to decline. We may experience increased interest rate risk to the extent they invest, if at all, in debt securities with longer maturities, debt securities paying no interest (such as zero coupon securities) or debt securities paying non-cash interest in the form of other debt securities.

Liquidity and Market Characteristics

In some circumstances, investments may be relatively illiquid making it difficult to acquire or dispose of them at the prices quoted on the various exchanges. Accordingly, our ability to respond to market movements may be impaired and we may experience adverse price movements upon liquidation of its investments. Settlement of transactions may be subject to delay and administrative uncertainties.

Loans

In relation to trading in loans either directly or through participations, our ability to acquire or dispose of positions may be restricted, delayed or prevented to the extent that any conditions to transfer are required to be satisfied. Such conditions may include, without limitation, obligations on us, as transferee, to provide satisfactory confidentiality undertakings to the borrower, grantor of a participation or transferor to procure the same from any onward transferee. The underlying documents governing our holding of a loan position may contain restrictions on our ability to transfer our loan position, including that the consent of the grantor of any participation may be required. There may also be restrictions on transfer in the underlying loan documents. In addition, illiquidity in the market for trading loan positions may affect our ability to dispose of, and realise value in respect of, its loan positions.

Market Liquidity and Leverage

We may be adversely affected by a decrease in market liquidity for the instruments in which it invests which may impair our ability to adjust our positions. The size of our positions may magnify the effect of a decrease in market liquidity for such instruments. Changes in overall market leverage, deleveraging as a consequence of a decision by a Prime Broker and Custodian, or other counterparties with which we enter into repurchase/reverse repurchase agreements or derivative transactions, to reduce the level of leverage available, or the liquidation by other market participants of the same or similar positions, may also adversely affect the portfolio.

Price Fluctuations

It should be remembered that the value of Shares and the income (if any) derived from them can go down as well as up.

Short Selling

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

Due to regulatory or legislative action taken by regulators around the world as a result of volatility in the global financial markets, taking short positions on certain securities has been restricted and/or subject to more onerous disclosure requirements at certain times in certain jurisdictions. The levels of restriction and disclosure vary across different jurisdictions and are subject to change in the short to medium term. These restrictions and/or disclosure requirements have at times made it difficult and in some cases impossible for numerous market participants either to continue to implement their investment strategies or to control the risk of their open positions. Accordingly, we may not always be in a position to fully express the negative views in relation to certain securities, companies or sectors and our ability to fulfil the investment objective may be constrained.

Sovereign Debt

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

Index or Index Options

The value of an index or index option fluctuates with changes in the market values of the securities included in the index. Because the value of an index or index option depends upon movements in the level of the index rather than the price of a particular security, whether we will realise appreciation or depreciation from the purchase or writing of options on indices depends upon movements in the level of instrument prices in the security market generally or, in the case of certain indices, in an industry or market segment, rather than movements in the price of particular securities.

Index Futures

The price of index futures contracts may not correlate perfectly with the movement in the underlying index because of certain market distortions. First, all participants in the futures market are subject to margin deposit and maintenance requirements. Rather than meeting additional margin deposit requirements, shareholders may close futures contracts through offsetting transactions that would distort the normal relationship between the index and futures markets. Second, from the point of view of speculators, the deposit requirements in the futures market are less onerous than margin requirements in the securities market. Therefore, increased participation by speculators in the futures market also may cause price distortions. Our successful use of index futures contracts also is subject to our ability to correctly predict movements in the direction of the market.

Futures Contracts

We may invest in futures contracts or options thereon. Futures positions may be illiquid because, for example, many commodity exchanges limit fluctuations in certain futures contract prices during a single day by regulations referred to as "daily price fluctuation limits" or "daily limits." Under such daily limits, during a single trading day no trades may be executed at prices beyond the daily limits. Once the price of a contract for a particular future has increased or decreased by an amount equal to the daily limit, positions in the future can neither be taken nor liquidated unless traders are willing to effect trades at or within the limit. Futures contract prices on various commodities or financial instruments occasionally have moved the daily limit for several consecutive days with little or no trading. Similar occurrences could prevent us from promptly liquidating unfavourable positions and subject the Fund to substantial losses. In addition, we may not be able to execute futures contract trades at favourable prices if trading volume in such contracts is low. It is also possible that an exchange or a regulator may suspend trading in a particular contract, order immediate liquidation and settlement of a particular contract or order that trading in a particular contract be conducted for liquidation only. In addition, various exchanges impose speculative position limits on the number of positions that may be held in particular commodities. Trading in commodity futures contracts and options are highly specialised activities that may entail greater than ordinary investment or trading risks. Furthermore, low margin or premiums normally required in such trading may provide a large amount of leverage, and a relatively small change in the price of a security or contract can produce a disproportionately larger profit or loss.

Swap Agreements

We may enter into swap agreements. These agreements are individually negotiated and can be structured to include exposure to a variety of different types of investments, asset classes or market factors. Depending on their structure, swap agreements may increase or decrease our exposure to, for example, equity securities. Swap agreements can take many different forms and are known by a variety of names. We are not limited to any particular form of swap agreement if consistent with our investment objective. Whether our use of swap agreements will be successful depends on our ability to select appropriate transactions. Swap transactions may be highly illiquid and may increase or decrease the volatility of our portfolio. Moreover, we bear the risk of loss of the amount expected to be received under a swap agreement in the event of the default or insolvency by the counterparty. We also bear the risk of loss related to, for example, breaches of swap agreements or our failure to post or maintain required collateral. Many swap markets are relatively new and still developing. It is possible that developments in the swap markets, including potential government regulation, could

adversely affect our ability to terminate existing swap transactions or to realize amounts to be received under such transactions.

Other Derivative Instruments

We may take advantage of opportunities with respect to certain other derivative instruments that are not currently contemplated for use or that are currently not available, but that may be developed, to the extent such opportunities are both consistent with the investment objective of the Firm and that we believe are legally permissible. Special risks may apply to instruments in the future that cannot be determined at this time or until we invest in such instruments. Other derivative instruments may be subject to various types of risks including market risk, liquidity risk, the risk of non-performance by the counterparty (including risks relating to the financial soundness and creditworthiness of the counterparty), legal risk and operations risk.

Item 9: Disciplinary Information

There are no legal or disciplinary events that are material to a Client's or prospective client's evaluation of our advisory business or the integrity of our management.

Item 10: Other Financial Industry Activities and Affiliations

LMR Partners LLC is in the process of registering with the CFTC as a commodity pool operator (“**CPO**”) and as a member with National Futures Association (the “**NFA**”). In connection with our registration with the CFTC, certain of our employees are registered “Associated Persons” and “Principals” of LMR Partners LLC. The Funds are operated pursuant to Regulation 4.7 (the “**4.7 Exemption**”) of the U.S. Commodity Exchange Act (the “**CEA**”).

LMR Partners 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.

We do not recommend or select other investment advisers for our clients.

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

LMR Partners has adopted a “**Code of Ethics**” that establishes the high standard of conduct that we expect of our employees and procedures regarding our employees’ personal trading of securities. Our employees are required to certify their adherence to the terms set forth in the Code of Ethics upon commencement of employment and quarterly thereafter. Employees are required to provide quarterly certifications of compliance with certain Code of Ethics provisions.

The foundation of our Code of Ethics is based upon the following underlying fiduciary principles:

- Employees must at all times place the interests of Clients first;
- Employees must ensure that all personal securities transactions are conducted consistent with the Code of Ethics; and
- Employees should not take inappropriate advantage of their position at the Firm.

Participation or Interest in Client Transactions

Neither we nor our related persons generally purchase any securities for their own accounts from, or sell any securities for their own accounts to, the Funds. LMR Partners may solicit qualified clients to invest in a Fund. LMR Partners could be considered to have recommended an investment in the Fund as suitable for a client as a result of the relationship between LMR Partners and the Fund. LMR Partners will inform each client of its relationship with a Fund prior to the client’s investment, but does not intend to advise clients as to the appropriateness of the investment and will not receive any compensation for doing so or for selling interests in a Fund (except to the extent that LMR Partners receives Management Fees and performance compensation from all Investors).

LMR Partners discloses these, and other potential conflicts of interest, to Investors in the Fund’s offering documents. These materials are delivered to Investors prior to their investment and Investors are given the opportunity to ask questions and seek answers regarding, among other things, potential conflicts involving the Firm, its affiliates, or the executive officers of the foregoing.

Personal Securities Trading

LMR Partners’ policy regarding personal securities trading by personnel (the “**Employee Investment Policy**”) significantly constrains the ability of personnel to engage in personal securities trading. Under the Employee Investment Policy, employees, their spouses, immediate family members and other dependents (where the employee has investment discretion), are required to direct their brokers, or directly provide, duplicate copies of personal discretionary brokerage account statements to the compliance team, which are used to monitor compliance with the Employee Investment Policy. Under the Employee Investment Policy, employees are prohibited from participating in initial public offerings (IPOs).

Employees must obtain pre-approval from the compliance team before: (i) effecting any personal trades in covered securities; (ii) engaging in any outside business activities that may

present a conflict with the employees' duties at the Firm; or (iii) making any private investments.

We will provide a copy of our Code of Ethics policy to our Investors, or any prospective investor or client, upon request.

Item 12: Brokerage Practices

LMR Partners is authorised to determine the broker-dealer to be used for executing securities transactions for the Funds. In selecting broker-dealers to execute transactions, we do not need to solicit competitive bids and do not have an obligation to seek the lowest available commission cost. The Funds' securities and other assets are held in securities accounts at our prime brokers that are "qualified custodians" as defined under the Investment Advisers Act of 1940, as amended (the "**Advisers Act**").

Best Execution

LMR has a duty to obtain best execution for its Clients and accordingly has adopted a Best Execution Policy ("**Best Execution Policy**"), which sets forth the criteria considered when selecting a broker-dealer.

LMR utilises various brokers and dealers to execute securities transactions. and will take all sufficient steps to achieve the best possible result for the Client (i.e. sufficient steps will be taken in order to obtain "best execution") which may include, but are not limited to:

- price;
- costs;
- speed;
- likelihood of execution and settlement (including the creditworthiness of the venue and the quality of any related clearing and settlement facilities);
- size;
- any other consideration relevant to the execution of the order, including whether the executing broker is providing services to LMR beyond merely trade execution.

In addition to these factors we believe that achieving best execution may also involve a consideration of the following:

- the liquidity of the market; and
- the size and nature of the order, including whether it is executed on a regulated market or over-the-counter.

All these factors will be considered and prioritized in light of the following execution criteria of the Clients:

- objectives;
- investment policy;
- risks specific to the Client;
- the characteristics of the order;
- the characteristics of the financial instruments or other assets that are the subject of the order; and
- the characteristics of the broker-dealers and/or execution venues to which that order can be directed.

Soft Dollars

The Firm may use “**Soft Dollars**” generated by the Fund’s trading activities to purchase brokerage and research services or products that would otherwise have been our expense. We intend to keep any such arrangements within the parameters of the safe harbour of Section 28(e) of the Securities Exchange Act of 1934.

Neither LMR Partners nor any related person receives client referrals from any broker-dealer or third party. However, subject to the Best Execution Policy, LMR Partners may consider, among other things, capital introduction and marketing assistance with respect to Investors in the Funds in selecting or recommending broker-dealers for the Funds.

Item 13: Review of Accounts

Our portfolio managers and investment professionals continuously monitor and analyse the transactions, positions, and investment levels of the Fund to ensure that they conform with the investment objectives and guidelines that are stated in the relevant Funds' offering documents. In these reviews, we pay particular attention to any changes in the investment's fundamentals, overall risk management and changes in the markets that may affect price levels.

Account Reporting

We perform various periodic reviews of each Client's portfolio. Such reviews are conducted by our officers.

We will distribute annual audited financial statements with respect to the previous fiscal year to all Investors within 120 days of relevant Fund's fiscal year end. We also may distribute other interim reports to Investors.

Item 14: Client Referrals and Other Compensation

We do not receive economic benefits from non-clients for providing investment advice and other advisory services. Neither we nor any of our related persons directly or indirectly compensates any person who is not a supervised person, including placement agents, for client referrals.

Item 15: Custody

Rule 206(4)-2 under the Advisers Act (and certain related rules and regulations under the Advisers Act) imposes certain obligations on registered investment advisers that have custody or possession of any funds or securities in which any client has any beneficial interest ("**Custody Rule**"). An investment adviser is deemed to have custody or possession of client funds or securities if the adviser directly or indirectly holds client funds or securities or has the authority to obtain possession of them.

We will comply with Custody Rule by meeting the conditions of the pooled vehicle annual audit approach. Upon completion of the relevant Fund's annual audit by an independent auditor registered with, and subject to inspection by, the Public Company Accounting Oversight Board (PCAOB), we will distribute the Fund's audited financials to Investors within 120 days of the Fund's fiscal year end.

Item 16: Investment Discretion

We will have full discretionary authority over the Fund, including authority to make decisions with respect to which securities to be bought and sold, as well as the amount and price of those securities. Our investment decisions and advice with respect to the Fund are subject to the Fund's investment objectives and guidelines, as set forth in the applicable offering documents.

Item 17: Voting Client Securities

In compliance with the Advisers Act's Proxy Voting Rule, we have adopted proxy voting policies and procedures. The general policy is to vote proxy proposals, amendments, consents or resolutions (collectively, "**Proxies**") in a prudent and diligent manner that will serve the applicable client's best interests and is in line with each client's investment objectives.

We may take into account all relevant factors, as determined by us in our discretion, including, without limitation:

- the impact on the value of the securities or instruments owned by the relevant client and the returns on those securities;
- the anticipated associated costs and benefits;
- the continued or increased availability of portfolio information; and
- industry and business practices.

In limited circumstances, we may refrain from voting Proxies where we believe that voting would be inappropriate, taking into consideration the cost of voting the Proxies and the anticipated benefit to our clients. Generally, clients may not direct our vote in a particular solicitation.

Conflicts of interest may arise between the interests of our clients, on the one hand, and us or our affiliates on the other hand. If we determine that we may have, or be perceived to have, a conflict of interest when voting Proxies, we will vote in accordance with our Proxy voting policies and procedures.

Clients may obtain a copy of our Proxy voting policies and our Proxy voting record upon request.

Item 18: Financial Information

We are not required to include a balance sheet for our most recent fiscal year, are not aware of any financial condition reasonably likely to impair our ability to meet contractual commitments to clients, and have not been the subject of a bankruptcy petition at any time during the past ten years.