

SEGANTII CAPITAL MANAGEMENT (USA) LLC

245 Park Avenue
39th Floor
New York City, NY 10167
United States of America

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This “**Brochure**” provides information about the qualifications and business practices of Segantii Capital Management (USA) LLC (hereinafter “**Segantii USA**”, “**we**”, “**us**”, “**our**” or the “**Firm**”). If you have any questions about the contents of this Brochure, please contact our Chief Compliance Officer (“**CCO**”), Niral Maru, by email at niral.maru@segantii.com. Information in this Brochure has not been approved or verified by the U.S. Securities and Exchange Commission (the “**SEC**”) or by any state securities authority.

Registration as an investment adviser does not imply that Segantii USA 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 Segantii USA and its affiliates is also available on the SEC's website at www.adviserinfo.sec.gov.

Item 2: Material Changes

This Brochure is filed as the initial Form ADV Part 2A for Segantii USA 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 contains material changes from our last update, we will identify and discuss those changes in this section.

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Item 4: Advisory Business

Segantii Capital Management (USA) LLC (hereinafter “**Segantii USA**”, “**we**”, “**us**”, “**our**” or the “**Firm**”) is organized as a Delaware limited liability company with a principal place of business in New York. The Firm was founded in 2020 and is entirely owned by Segantii Capital Management (UK) Limited.

Segantii USA has three affiliate advisers: (i) Segantii Capital Management (Cayman) Limited (“**Segantii Cayman**”), (ii) Segantii Capital Management Limited (“**Segantii HK**”), and (iii) Segantii Capital Management (UK) Limited (“**Segantii UK**”). Each of these affiliates files a report with the SEC as an exempt reporting adviser.

Segantii Cayman is a Cayman Islands corporation that was formed on 27 September 2007. Segantii HK is a Hong Kong corporation that was formed on 16 July 2007. Segantii UK is a company incorporated in England that was formed on 6 March 2014.

Segantii Cayman is the investment manager and provides investment management services to qualified investors through its private fund, “The Segantii Asia Pacific Equity Multi-Strategy Fund” (the “**Fund**” or the “**Client**”). Segantii HK is the investment adviser to the Fund through an advisory agreement in place. Pursuant to sub-advisory agreements with Segantii HK, each of Segantii UK and Segantii USA provides investment advisory services on a discretionary basis to the Fund.

The Fund is incorporated as an exempted open-ended investment company with limited liability in the Cayman Islands.

Interests in the Fund are offered through a private placement memorandum to US persons who are accredited investors, as defined under the Securities Act of 1933, as amended (the “Securities Act”), and qualified purchasers, as defined under the Investment Company Act of 1940, as amended (the “Investment Company Act”). Segantii USA does not tailor its advisory services to the individual needs of any particular investor.

The Fund’s “**Shareholders**” are hereafter collectively referred to as the “**Investors**” where appropriate.

Our investment decisions and advice with respect to the Fund are subject to the Fund’s investment objectives and guidelines, as set forth in its “**Offering Documents**.”

We do not currently participate in any Wrap Fee Programs.

Currently, we have \$ 11,627,005,350 regulatory assets under management.

Item 5: Fees and Compensation

The fees applicable to the Fund are set forth in detail in the corresponding Offering Documents. A brief summary of such fees is provided below. Investors should refer to the Offering Documents for a complete understanding of how the Firm is compensated for its advisory services.

Management Fee

An investment management fee ("**Management Fee**") equal to two per cent, per annum for each class of the net asset value of the Fund is charged and is paid to Segantii HK.

The Fund may issue different classes of participating shares and as such the management fee and/or the performance fee may be further reduced or waived and may permit certain shareholders to participate in the funds on different terms.

Other Types of Fees or Expenses

Investor Adviser Fees - Segantii HK pays sub-advisory fees to Segantii USA in accordance with its internal transfer pricing policies. Such sub-advisory fees are paid out of the Management Fee and Performance Fee (as defined below) paid by the Fund.

Prime Brokerage Fees - Each prime broker is entitled, in its capacity as prime broker, to interest on any advances which it makes to the Fund and such fees as may be agreed with the Fund from time to time in relation to any other facilities each prime broker provides to the Fund.

Fees for the Administrator, Registrar and Transfer Agent - The administrator, registrar and transfer agent are entitled to receive fees paid out of the assets of the Fund based upon the nature and extent of the services performed for the Fund.

General Expenses - The Fund bears the cost of all brokerage (if any) payable on the purchase or sale of investments, interest on borrowings and fees in respect thereof, fees payable in the Cayman Islands on increase in the share capital of the Fund, the annual company registration fee payable in the Cayman Islands, the fees and reasonable travel and per diem expenses of the Fund's Directors, the fees and expenses of the auditors and legal advisors, the cost of any liability insurance taken out by the Fund in respect of the directors, the cost of the investment management insurance, the cost of printing and distributing the annual and semi-annual reports and statements and all other operating and administrative expenses.

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

Segantii HK is entitled to a performance-based compensation from the Fund in respect to certain classes of shares, this fee being calculated by the administrator on a share-by-share basis (the "Performance Fee").

Performance-based fees may create an incentive for us to recommend investments which may be riskier or more speculative than those which we would recommend under a different arrangement.

The Performance Fee will (if any) is calculated as at the last valuation point in respect of each period of 12 months ending on 30 September of each year (the "Performance Period"). Information on the calculation of the Performance Fee for investors who redeem from the Fund during its financial year is available from Segantii HK upon request.

The Performance Fee is equal to 20 per cent of the appreciation in the net asset value above the high watermark, per Performance Period. Performance fees are not charged to the Fund's designated share class which is available only to officers and employees of the investment manager of the Fund, Segantii Cayman, or its affiliates (including Segantii USA).

Item 7: Types of Clients

Segantii USA provides investment management services to the Fund. For purposes of this Brochure, the terms "client" is synonymous with the Fund.

The Fund is open to any investors who are able to acquire participating shares without violating applicable laws. All investors that are US Persons (as such term is defined in Regulation S promulgated under the Securities Act) must be accredited investors (as such term is defined under the Securities Act) and qualified purchasers (as such term is defined under the Investment Company Act) to participate in the Fund.

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

The descriptions 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 as set forth in the Offering Documents. 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 principal investment objective of the Fund is to deliver consistent absolute returns, relative to the level of risk assumed. The Fund attempts to achieve its investment objective by employing a multi-strategy investment program. The Firm anticipates utilising, amongst others, Relative Value trading and Opportunistic Events trading strategies on behalf of the Fund.

The majority of the strategies pursued by the Fund are in relation to securities, derivatives and other investment products issued by or relating to companies headquartered in, or primarily doing business in the Asia-Pacific region; and in securities, derivatives and investment products listed or traded in markets in the Asia-Pacific region. The securities, derivatives and investment products invested in or traded by the Fund in pursuing its investment objectives include, but are not limited to, equities, equity access products, depository receipts (including but not limited to, American Depositary Receipts ("ADRs"), Global Depositary Receipts ("GDRs"), Taiwanese Depositary Receipts ("TDR's"), and Indian Depositary Receipts ("IDR's")), listed futures, listed options, equity warrants, over-the-counter derivatives, real estate investment trusts ("REITs") and other asset backed investment vehicles, swaps, currencies,

currency forwards, currency options, convertible and exchangeable bonds, exchange traded funds (“ETFs”) and non-deliverable currency forwards.

The Fund may invest in non-equity securities, derivatives and investment products, including but not limited to commodities, credit, currencies, fixed income and their associated derivatives.

The Asia-Pacific region includes, but is not limited to, the countries or territories of Hong Kong, Japan, Korea, Taiwan R.O.C., People’s Republic of China (“PRC”), Pakistan, the Philippines, Vietnam, Thailand, Malaysia, Myanmar, Singapore, Sri Lanka, Indonesia, India, Bangladesh, Australia and New Zealand.

The Firm may periodically modify its strategies. New strategies may be implemented, and existing strategies may be discontinued. The Fund may hold 100 per cent of its assets in cash or cash equivalents should the Firm deem such strategy to be prudent over any time period.

No assurance can be given that the Fund will be able to achieve the above objective. The Fund’s Directors may in their sole discretion amend all or any part of the Fund’s investment objective and strategy upon not less than one month’s prior written notice to shareholders

Risk Management

The Firm has adopted risk management procedures intended to identify, measure, manage and monitor risks in connection with the investment of the assets of the Fund, including market risk, liquidity risk, issuer and counterparty and credit risk and operational risk, taking into account the nature, scale and complexity of the business of the Firm and the investment objective and strategy of the Fund.

Risk of Loss Factors

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.

An investment involves significant risks, and is suitable only for those persons who can bear the economic risk of the loss of their entire investment, who have limited need for liquidity in their investment, and who have met the conditions set forth in the Offering Documents. There can be no assurances that we will achieve our investment objectives. An investment carries with it the inherent risks associated with investments in publicly traded stocks and bonds, options, and related instruments, including, without limitation, the risks described in the Offering Documents. Each prospective investor should carefully review the Offering Documents and the documents referred to therein before deciding to invest in the Fund.

Risk of investing in People’s Republic of China (“PRC”) securities

Under the prevailing regulations in mainland China, foreign investors may invest in the China A-Shares market through institutions that have obtained Qualified Foreign Institutional Investors (“QFII”) or Renminbi Qualified Foreign Institutional Investors (“RQFII”) status and investment quotas in mainland China. The current QFII and RQFII regulations impose strict restrictions (such as investment guidelines and lock up periods) on A-Shares investment.

The Fund may invest indirectly in A-Shares via A-Share access products issued by the QFIIs. A-Share access products include equity-linked notes, participating certificates, participatory notes, swaps and other similar instruments issued by the QFIIs. The Funds' counterparty risk will be with the different third parties which have already obtained QFII quotas. However, under the prevailing rules and regulations, stringent qualification requirements have been set and only large scale international financial institutions may qualify to become QFIIs. QFIIs must have substantial paid-up capital and/or substantial amount of assets under their management.

The Fund's ability to invest and the exposures of the Fund to A-Shares through A-Share access products may be adversely affected by restrictions to which the QFII is subject. A QFII's conduct of trading activities is from time to time subject to risk of suspension by the relevant Chinese authorities. QFIIs are subject to investments limits and restrictions, and the breach of certain limits will result in a QFII being required to sell down its holding to meet the relevant limits which may in turn affect investments of the Fund. As QFII regulations on investments apply to each quota granted to a QFII as a whole (and not simply to the portion relating to the investments made by the Fund), any potential violation of the QFII regulations on investments arising out of activities relating to portions of the QFII's quota other than those which are utilised for the investment made by the Fund could result in the revocation of or other regulatory action in respect of the QFII's quota as a whole, including any portion utilised for the investments by the Fund.

Investment in A-Share access products can also be illiquid as there is no active market in such instruments.

Investment in the PRC remains sensitive to any major change in economic, social and political policy in the PRC. The capital growth and thus the performance of these investments may be adversely affected due to such sensitivity. The PRC government's control of future movements in exchange rates and currency conversion may have an adverse impact on the operations and financial results of the companies in which the Fund invests.

Further, there is a possibility that the tax laws, regulations and practice in the PRC may be subject to change and that such change may have a retroactive effect on an investor.

Leverage

The Fund may be leveraged by borrowing and may also engage in investment strategies that constitute leverage should the Firm consider this necessary or desirable. Such strategies may include the borrowing and short selling of securities and the acquisition and disposal of certain types of derivative securities and instruments, such as swaps, futures, forwards and options.

Since many derivative instruments have a leverage component, adverse changes in the value or level of the underlying asset, rate or index can result in a loss substantially greater than the amount invested in the derivative itself. Certain derivative instruments have the potential for unlimited loss regardless of the size of the initial investment. If there is default by the other party to any such transaction, there will be contractual remedies; however, exercising such contractual rights may involve delays or costs which could result in the value of the total assets of the related portfolio being less than if the transaction had not been entered.

The Fund currently does not impose any limitation and restrictions on the use of leverage. Whilst leveraging creates an opportunity for greater total returns it also exposes the Fund to a greater risk of loss arising from adverse price changes.

Derivatives

The Firm may have exposure to derivatives including instruments and contracts the value of which is linked to one or more underlying securities, interest rates, foreign exchange rates, financial benchmarks or indices. Derivatives allow an investor to hedge or speculate upon the price movements of a particular security, financial benchmark 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 trading. However, there are a number of other risks associated with derivatives trading. For example, because many derivatives provide significantly more market exposure than the money paid or deposited when the transaction is entered into, a relatively small adverse market movement can result not only in the loss of the entire investment, but may also expose the Firm to the possibility of a loss exceeding the original amount invested.

Counterparty Risks

The Fund will transact most of its investments through financial institutions including but not limited to brokers, dealers and banks. All purchases and sales of securities will carry counterparty risks until the transactions have settled. All derivative transactions will carry counterparty risks either until the derivatives expire or until the derivatives are exercised and the underlying securities or cash are settled or until the derivatives are offset under the terms of their contracts. All financing transactions such as borrowing or lending of the Fund or securities will carry counterparty risks until such borrowing or lending has terminated and the relevant collateral is returned. All deposits of securities or cash with a custodian, bank or financial institution will carry counterparty risk. Upon default by a counterparty the Fund may be forced to unwind certain transactions and the Fund may encounter delays and difficulties with respect to court procedures in seeking recovery of the Fund's assets.

Counterparty Insolvency

The stability and liquidity of repurchase agreements, swap transactions, forward transactions and other over-the-counter derivative transactions depend in large part on the creditworthiness of the parties to the transactions. It is expected that Segantii USA or its relevant affiliate will monitor on an ongoing basis the creditworthiness of firms (including the Prime Brokers) with which the Fund will enter into repurchase agreements, interest rate swaps, caps, floors, collars or other over-the-counter derivatives. If there is a default by the counterparty to such a transaction, the Fund will under most normal circumstances have contractual remedies pursuant to the agreements related to the transaction. However, exercising such contractual remedies may involve delays or costs which could result in the net asset value being less than if the Fund had not entered into the transaction.

Furthermore, there is a risk that any of such counterparties could become insolvent. For example, in September 2008, Lehman Brothers Holdings Inc., a major investment bank based in the United States, filed for bankruptcy protection under Chapter 11 of the United States Bankruptcy Code, and Lehman Brothers Inc., its principal US broker-dealer subsidiary, became subject to a liquidation proceeding under the United States Securities Investor Protection Act. In addition, certain Lehman Brothers subsidiaries, including Lehman Brothers International (Europe) ("LBIE") have been placed under administration for the purposes of winding down their respective businesses. If one or more of the Fund's counterparties were to become insolvent or the subject of liquidation proceedings in the United States (either under the United States Securities Investor Protection Act or the United States Bankruptcy Code), there

is a risk that the recovery of the Fund's securities and other assets from such counterparty will be delayed or be of a value less than the value of the securities or assets originally entrusted to such counterparty. In addition, the Fund may use counterparties located in various jurisdictions around the world like LBIE. Such local counterparties are subject to various laws and regulations in various jurisdictions that are designed to protect their customers in the event of their insolvency. However, the practical effect of these laws and their application to the Fund's assets will be subject to substantial limitations and uncertainties. Because of the large number of entities and jurisdictions involved and the range of possible factual scenarios involving the insolvency of a counterparty, it is impossible to generalise about the effect of their insolvency on the Fund and its assets. Investors should assume that the insolvency of any counterparty would result in a loss to the Fund, which could be material.

Risks Relating to REITs and other Property-Related Companies

The prices of equity REITs are affected by changes in the value of the underlying property owned by the REITs companies and changes in capital markets and interest rates. The prices of mortgage REITs are affected by the quality of any credit they extend, the creditworthiness of the mortgages they hold, as well as by the value of the property that secures the mortgages.

While the Fund will not invest in real property directly, the Fund may be subject to risks similar to those associated with the direct ownership of real property (in addition to securities market risks) because of its investments in REITs.

In addition to these risks, equity REITs may be affected by changes in the value of the underlying property owned by the trusts, while mortgage REITs may be affected by the quality of any credit they extend. Further, REITs are dependent upon management skills and generally may not be diversified. REITs are also subject to heavy cash flow dependency, defaults by borrowers and self-liquidation. There is also the risk that borrowers under mortgages held by a REITs or lessees of a property that a REITs owns may be unable to meet their obligations to the REITs. In the event of a default by a borrower or lessee, the REITs may experience delays in enforcing its rights as a mortgagee or lessor and may incur substantial costs associated with protecting its investments. In addition to the foregoing risks, certain "special purpose" REITs in which the Fund may invest may have their assets in specific real property sectors, such as hotel REITs, nursing home REITs/property-related companies or warehouse REITs, and are therefore subject to the risks associated with adverse developments in these sectors.

Foreign Currency Markets

The Fund will have exposure to fluctuations in currency exchange rates where it invests directly or indirectly in securities denominated in currencies other than US dollars. It may, in part, seek to offset the risks associated with such exposure through foreign exchange transactions. The markets in which foreign exchange transactions are effected are highly volatile, highly specialised and highly technical. Significant changes, including changes in liquidity and prices, can occur in such markets within very short periods of time, often within minutes. Foreign exchange trading risks include, but are not limited to, exchange rate risk, interest rate risk and potential interference by foreign governments through regulation of local exchange markets, foreign investment, or particular transactions in foreign currency.

Economic and Political Risks

The economies of certain countries in which the Fund may invest may differ favourably or unfavourably from the economies of more developed countries in such respects as growth of

gross domestic product, rate of inflation, currency depreciation, capital reinvestment, resource self-sufficiency and balance of payments position. With respect to any emerging country, there is the possibility of nationalisation, expropriation or confiscatory taxation, political changes, government regulation, social instability or diplomatic developments and war which could affect adversely the economies of such countries or the value of the Fund's investments in such countries. In addition, it may be difficult to obtain and enforce a judgement in a court in an emerging country.

The economic and political risks described above may also adversely impact the value of derivative instruments and securities that are linked to the performance of emerging markets.

Geographic Risks

Political

Although many of the countries in the Asia-Pacific region have experienced a relatively stable political environment over the last decade, there is no guarantee that such stability will be maintained in the future. As an emerging region, many factors may affect such stability on a country-by-country as well as on a regional basis - increasing gaps between the rich and poor, agrarian unrest and stability of existing coalitions in politically-fractionated countries - and may result in adverse consequences to the Fund.

Legal

The legal infrastructure in each of the countries in the Asia-Pacific region is unique and often undeveloped. In most cases, securities laws are evolving and far from adequate for the protection of the public from serious fraud. Investment in Asia-Pacific securities involves considerations and possible risks not typically involved with investment in other issuers, including changes in applicable laws, instability of some governments, the possibility of expropriation, limitations on the use or removal of funds or other assets, changes in governmental administration or economic or monetary policy or changed circumstances in dealings between nations. The application of tax laws (e.g., the imposition of withholding taxes on dividend or interest payments) or confiscatory taxation may also affect investment in Asia-Pacific securities. Higher expenses may result from investment in Asia-Pacific securities than would from investment in other securities because of the costs that must be incurred in connection with conversions between various currencies and brokerage commissions that may be higher than elsewhere. Asia-Pacific securities markets also may be less liquid, more volatile and less subject to governmental supervision than elsewhere. Investments in countries in the region could be affected by other factors not present elsewhere, including lack of uniform accounting, auditing and financial reporting standards, inadequate settlement procedures and potential difficulties in enforcing contractual obligations.

Natural and Man-made Disasters

Certain countries in the Asia-Pacific region are especially prone to natural disasters, such as flooding, drought and earthquakes. Combined with the possibility of man-made disasters, the occurrence of such disasters may adversely affect investee companies and, as a result, may result in adverse consequences to the Fund.

Inflation

Many of the countries in the Asia-Pacific region have experienced rising inflation. Should the governments and central banks of the countries in the Asia-Pacific region fail to control inflation, this may have an adverse effect on the performance of the Fund.

Co-dependence of Various Markets on Each Other

Several of the countries in the Asia-Pacific region remain dependent on the US economy as their largest export customer, and future barriers to entry into the US market could adversely affect the Fund's performance. Intraregional trade is becoming an increasingly significant percentage of total trade for the countries in the region. Consequently, the intertwined economies are becoming increasingly dependent on each other, and any barriers to entry to markets in the Region in the future may adversely affect the Fund's performance.

Constraints on the Movement of Capital

Certain countries in the region in which the Fund may invest restrict the movement of foreign capital. Changes in securities laws and foreign ownership laws may have an adverse effect on the Fund.

Custody Risks

Assets held as collateral by the Prime Broker in relation to facilities offered to the Fund and assets deposited as margin with either the Prime Broker or with executing brokers need not be segregated from the assets of the Prime Broker or such executing brokers. Such assets may therefore be available to the creditors of such persons in the event of their insolvency.

Short Selling

The Fund may short sell securities of an issuer. If the price of the issuer's securities declines the Firm may then cover the short position with securities purchased in the market. The profit realised on a short sale will be the difference between the price received in the sale and the cost of the securities purchased to cover the sale.

The possible losses from short selling securities differ from losses that could be incurred from a cash investment in the security; the former may be unlimited, whereas the latter can only equal the total amount of the cash investment. Short selling activities are also subject to restrictions imposed by the various national and regional securities exchanges, which restrictions could limit the investment activities of the Firm.

Valuation and Accounting

The Fund has adopted IFRS in drawing up the annual accounts of the Fund. However, investors should note that the calculation of the Net Asset Value may not necessarily be in compliance with generally accepted accounting principles, that is, IFRS. Accordingly, investors should note that the NAV as described in the Placing Memorandum may not necessarily be the same as the net asset value to be reported in the annual accounts as the Firm may make necessary adjustments in the annual accounts to comply with IFRS.

Dividends and Distributions

The Fund does not intend to pay dividends or other distributions, but intends instead to reinvest all of the Fund's income and gains. Accordingly, an investment in the Fund may not be suitable for investors seeking income returns for financial or tax planning purposes.

Effect of Substantial Redemptions

Substantial redemptions by Shareholders within a short period of time could require the Fund to liquidate securities and other positions more rapidly than would otherwise be desirable, possibly reducing the value of its assets and/or disrupting its investment strategy. Further, it may be impossible to liquidate a sufficient amount of securities to meet redemptions because a significant part of the portfolio at any given time may be invested in securities for which the market is or becomes illiquid. Reduction in the size of the Fund could make it more difficult to generate a positive return or to recoup losses due to, among other things, reductions in the Fund's ability to take advantage of particular investment opportunities or decreases in the ratio of its income to its expenses.

Risks of Multi-Class Structure

The Fund can establish an unlimited number of separate Classes of Participating Shares. The Directors of the Fund will attempt to ensure that a Shareholder's interest will be limited to the assets and liabilities represented by the Class of Participating Shares in which he invests. Investors should, however, be aware that in the event a claim is made against the Fund, if the assets attributable to a Class in respect of which the claim is made are insufficient to cover such claim, the creditor may have recourse to the assets attributable to other Classes.

New Issues Risk

The Fund may purchase "new issues" within the meaning of the FINRA New Issue Rules. A "new issue" is defined as an initial public offering of an equity security. When Segantii USA places market orders for new issue securities, it risks receiving an execution substantially away from the market or offering price. This risk may be significantly reduced if a limit order is utilized. However, it is possible that a limit order will not be executed. In determining if and for how long the Fund should hold new issue securities, Segantii USA must gauge whether other investors are likely to buy these securities on the secondary market and how long the attraction for the securities is likely to last as well as other factors. In addition, Segantii USA may at times be restricted or limited from purchasing new issue securities if too high percentage of the Fund's Participating Shares held by Shareholders who are Restricted Persons under the FINRA New Issue Rules. The market for these securities is untested. Because the offering is on a first-time basis, there is generally no market information about the securities to help determine its value or its outlook. Further, if the Fund is not able to obtain accurate and current information regarding the eligibility of Shareholders to participate in new issues then the Fund may be prevented from buying new issues (typically U.S. listed initial public offerings).

Lack of Jurisdiction for Service of Process by U.S. Persons

The Fund and all or a substantial portion of the assets of the Fund are located outside of the United States. As a result, it may not be possible for U.S. Persons to effect service of process within the U.S. upon such entities or to enforce against them judgments of U.S. courts predicated upon the civil liability provisions of the federal or state securities laws of the U.S.

ERISA and Other U.S. Tax-Exempt Investors

Investment in the Fund by entities subject to ERISA and other tax-exempt entities requires special consideration. Trustees or administrators of such entities are urged to carefully review the matters relating to ERISA and U.S. tax regulations that may apply to them.

ERISA-Related Risks

The Fund does not intend to permit 25 per cent or more of any class of equity interests of the Fund (excluding any such shares owned by Segantii USA or its affiliates) to be owned by Benefit Plan Investors (including intermediate investment entities deemed to hold plan assets and individual retirement accounts and Keogh plans) and therefore the assets of the Fund should not be deemed to be “plan assets” under U.S. Department of Labor regulations under ERISA. The following consequences, among others, would arise in the event that the 25 per cent. threshold is reached and the assets of the Fund are deemed to be ERISA plan assets: (a) the prudence and diversification standards, bonding requirements and other provisions of Part 4 of Title I of ERISA applicable to investments by ERISA Plans and their Plan Fiduciaries would extend to the actions of the Directors of the Fund and Segantii USA and its affiliates regarding investments by the Fund, (b) certain transactions that the Fund has entered into or might seek to enter into might constitute “prohibited transactions” under ERISA or the Code, subject to a requirement that such transactions may be rescinded and result in potential penalties or excise tax liability and other fiduciary liability of the Fund, and (c) The Fund and, potentially, the Fund’s Directors would be required to disclose certain financial information concerning the Fund to the Plan Fiduciaries of any Benefit Plan Investors. The Directors of the Fund have the power to require the redemption or transfer of Participating Shares held by any Shareholder to ensure that Benefit Plan Investors do not own 25 per cent or more of each class of equity interests of the Fund (excluding any such shares owned by Segantii USA or its affiliates).

Foreign Account Tax Compliance

The foreign account tax compliance provisions (“**FATCA**”) of the Hiring Incentives to Restore Employment Act of 2010 which apply to certain payments are essentially designed to require reporting of U.S. Person’s direct and indirect ownership of non-US accounts and non-US entities to the US Internal Revenue Service, with any failure to provide the required information resulting in a 30% US withholding tax on direct US investments (and possibly indirect US investments). In order to avoid being subject to US withholding tax, both US investors and non-US investors are likely to be required to provide information regarding themselves and their investors.

Each prospective investor should consult with its own tax advisor as to the potential impact of FATCA in its own tax situation.

Item 9: Disciplinary Information

At this time, the Firm has no information to disclose that is applicable to Item 9.

Item 10: Other Financial Industry Activities and Affiliations

Neither we nor our management persons are registered as broker-dealers, and neither of us has any application pending to register with the SEC as a broker-dealer or registered representative of a broker-dealer, respectively.

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

Code of Ethics

Segantii USA 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 annually thereafter. Employees also 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 the Fund and Investors first;
- Employees must ensure that all personal securities transactions are conducted consistent with the Code of Ethics’ Employee Personal Investment Policy (described below); and
- Employees should not take inappropriate advantage of their position at the Firm.

Employees must obtain pre-approval from the Firm’s Compliance Officer before: (i) engaging in any outside business activities; (ii) making any private investments; (iii) trading in “Reportable Securities” (as defined in the Code of Ethics, and which includes a wide variety of instruments such as stocks, bonds, fixed income, options, warrants, futures, certain transaction relating to currencies, certain derivatives, exchange traded funds and exchange traded notes); (iv) participating in Initial Public Offers.

Employees are permitted to maintain personal accounts for the purpose of trading in single name securities. Employees must disclose all personal accounts (including the accounts of connected persons) when they join the Firm. In addition, employees must provide, or arrange to have their broker provide, copies of their brokerage statements on periodic basis. New personal accounts are subject to written pre-approval from the Firm’s Chief Compliance Officer.

Employees are prohibited from personally, or on behalf of a Client, transacting in securities that are on the Firm’s Restricted List.

We will provide a copy of our Code of Ethics to our Investors, or any prospective investor, upon request, to be viewed on the premises.

Item 12: Brokerage Practices

Segantii USA is authorized to determine the broker-dealer to be used for executing securities transaction 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. It is not our practice to negotiate “execution only” commission rates;

therefore, the Fund may be deemed to be paying for research, brokerage or other services provided by the broker which are included in the commission rate.

We also have the authority to select and appoint custodians of the assets of the Fund. The Firm's authority is limited by its own internal policies and procedures and the Fund's investment guidelines.

Best Execution

In selecting an appropriate broker-dealer to effect a client trade, we seek to obtain "**Best Execution**," meaning generally the execution of a securities transaction for a client in such a manner that a client's total costs or proceeds in the transaction are most favorable under the circumstances. Accordingly, in seeking Best Execution, we take into consideration the price of a security offered by the broker-dealer, as well as a broker-dealers' full range and quality of their services including, among other things, their facilities, reliability and financial responsibility, execution capability, commission rates, responsiveness to us, brokerage and research services provided to us (for example, research ideas, analysis, and investment strategies), special execution and block positioning capabilities, clearance, and settlement and custodial services.

Soft Dollars

The Firm may use "**Soft Dollars**". In such cases, Soft Dollar credits, generated by the Fund's trading activities, would be used to purchase brokerage and research services or products that would otherwise have been Fund expense. We intend to keep any such arrangements within the parameters of the safe harbor of Section 28(e) of the Exchange Act.

Neither Segantii USA nor any related person receives client referrals from any broker-dealer or third party. However, subject to best execution, we 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.

The provision by a broker of research and other services and property to us creates an incentive for us to select such broker since we would not have to pay for such research and other services and property as opposed to solely seeking the most favorable execution for a client. Any research, services or property provided by a broker may benefit any client and such benefits may not be proportionate to commission dollars related to the provision of such research, services or property.

Item 13: Review of Accounts

The Firm's portfolio managers and investment professionals continuously monitor and analyze 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 Fund's Offering Documents. In these reviews, the Firm pays 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 distribute an audited financial report with respect to the previous fiscal year to all Investors within 90 days of fiscal year end. We may also distribute quarterly or more frequent unaudited net asset value statements, unaudited quarter-end or month-end performance reports, and a monthly investor letter to all 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, compensate any person who is not a supervised person for client referrals.

Item 15: Custody

Segantii USA does not accept custody of client funds or securities. All clients' accounts are held in custody by unaffiliated broker/dealers, banks or other institutions approved to provide custodian services. Segantii USA does have the ability to issue instructions in relation to the movement of client assets and cash but only in accordance with the provisions of relevant agreements and mandates.

Item 16: Investment Discretion

We will have full discretionary investment authority with respect to 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.

Item 17: Voting Client Securities

In compliance with Rule 206(4)-6 of the Investment Advisers Act of 1940, as amended (i.e., the "proxy voting rule"), we have adopted proxy voting policies and procedures. The general policy is to vote all 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 the 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.

Generally, clients may not direct our vote in a particular solicitation.

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.