

**PART 2A OF FORM ADV  
FIRM BROCHURE**

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**This brochure provides information about the qualifications and business practices of Jasper Asset Management, LLC (the “Adviser”). If you have any questions about the contents of this brochure, please contact us at 646-692-6003. This information has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.**

The Adviser is registered as an investment adviser with the SEC. Registration with the SEC does not imply a certain level of skill or training.

**Additional information about Jasper Asset Management, LLC also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## **Item 2 – Material Changes**

There are no material changes in this brochure from the last annual updating amendment of the Advisor. Material changes relate to the Advisor's policies, practices or conflicts of interests.

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#### **Item 4. Advisory Business**

The Adviser is an investment adviser with its principal place of business in New York, New York. The Adviser commenced operations as an investment adviser in April 1999. The managing members of the Adviser are Yiping Wang, Jason X. Jiang, and Mei Shi. Mr. Wang and Mr. Jiang will be primarily responsible for the allocation of the Fund's assets to the Portfolio Managers.

The Adviser provides investment advisory services on a discretionary basis to clients that are pooled investment vehicles (each a "Fund" and, collectively, the "Funds") intended for institutional investors and other sophisticated investors.

The Adviser provides advice to client accounts based on specific investment objectives and strategies as set forth in the applicable Fund's offering documents. Presently, the Adviser does not tailor advisory services to the individual needs of clients.

Mr. Wang, Mr. Jiang and Ms. Shi are also principals and owners of Jasper Capital International Limited ("Jasper Capital"), an investment adviser established by Mr. Wang, Ms. Shi, Mr. Jiang, along with other individuals, in June 2013 with its principal place of business in Shenzhen, China. Jasper Capital is registered with the Asset Management Association of China (People's Republic of China). Mr. Wang is the CEO, Ms. Shi is the chairwoman and Mr. Jiang is CFO.

The Adviser's investment decisions are independent of those of Jasper Capital.

Clients may not impose restrictions on investing in certain securities or certain types of securities.

The Adviser does not participate in wrap fee programs.

As of December 31, 2019, the Adviser managed approximately \$34,000,000, all of which is on a discretionary basis.

The following persons will assist with managing the Adviser and the Fund.

Mr. Yiping WANG. Mr. Wang established the Adviser in April 1999 and is currently a managing member as well as a portfolio manager. Mr. Wang is also the Chief Executive Officer and Chief Investment Officer of Jasper Capital. Mr. Wang has twenty years of portfolio management experience. Mr. Wang was a Managing Director of China Galaxy Securities Co. Ltd. from 2011 to 2012. Prior to establishing the Adviser, Mr. Wang was a proprietary trader for Salomon Brothers' Equity Derivatives group with responsibilities for development, implementation, and trading of arbitrage strategies from 1997 to 1999. In 1999, Mr. Wang left Salomon to establish the Adviser where he could devote a greater portion of his time to research and investment process. In 1996, while receiving his MBA, Mr. Wang worked at Smith Barney on a correlation stress project for global risk management and as an independent consultant for Demeter Asset Management designing hedging strategies and leverage ratios to maximize return on equity. While receiving his second doctorate degree at Columbia, Mr. Wang worked as a postdoctoral research scientist at the New York Institute of Neurology from 1993 to 1995 where he invented two clinical software products and an intra-cranial system. Mr. Wang received an MBA in Finance from Columbia Business School in 1997, as well as a Ph.D. in Engineering from Columbia University in 1997, and a Ph.D. in Medicine from Shanghai Jiaotong University in China in 1988.

Mr. Jason Xiaofei JIANG. Mr. Jiang is currently a managing member and portfolio manager at the Adviser. Mr. Jiang is also the Chief Financial Officer of Jasper Capital. Mr. Jiang has sixteen years of investment and financial services experience. Prior to joining the Adviser in 2010, Mr. Jiang worked as a Director at Transamerica Financial Advisors where he provided financial services, as a Senior Engineer at General Motors Company responsible for engine research and engineering and as a Research Engineer at Southwest Research Institute where he provided engineering and consulting services from 1998 to 2009. From 1991 to 1994, Mr. Jiang was an Associate Professor at Shanghai University and a Research Associate at City University of Hong Kong in China. Mr. Jiang holds an MBA from Kelly School of Business at Indiana University, received in 2008 and a Ph.D. in Mechanical Engineering from Northwestern University, received in 1999.

Mei SHI. Ms. Shi is currently a managing member at the Adviser. Ms. Shi is also the Chairwoman of Jasper Capital. Before joining the Adviser in 2000, she worked for the risk management and trading department at Blackrock from 1998 to 1999. She served as a managing director of China Galaxy Securities Co. Ltd. from 2011 to 2012. Ms. Shi has nineteen years of portfolio management experience. She holds an M.S. in mechanical engineering received in 1995 and a Master of Philosophy in electrical engineering from Columbia University received in 2001.

Nigel David Stead. Mr. Stead is a co-founder of ManagementPlus Group which was established to provide offshore directorship, management company, company administration and consulting services to the alternative investment industry from offices in the Cayman Islands, Luxembourg and Singapore. He is a non-executive director of a number of investment funds and management companies. From 1995 to 2005, he was Managing Director and Head of Global Fund Services at HSBC Institutional Trust Services (Singapore) Limited (formerly Bermuda Trust (Singapore) Limited) which provided Trustee, Custody, and Fund Administration Services to some 500 investment vehicles and funds with an AUM of \$40 billion (U.S.) including retail unit trusts, pension plans, REITs, hedge funds, fund of funds, and private equity funds. From 1985 to 1995, he held senior positions at the Bank of Bermuda in the Global Fund Services division firstly in Bermuda, then Luxembourg and finally Hong Kong before relocating to Singapore. Prior to joining the Bank of Bermuda, he held various positions in the accountancy profession in England and Africa. Mr. Stead received a degree in Management Sciences from UMIST (the University of Manchester Institute of Science & Technology) in England in 1973. Mr. Stead is a Fellow of the Institute of Chartered Accountants in England and Wales, a Chartered Financial Analyst charterholder, a Certified Investment Fund Director and a member of the Institutes of Directors in the United Kingdom and Singapore. He is registered as a Director with the Cayman Islands Monetary Authority.

## **Item 5. Fees and Compensation**

The Adviser provides investment advisory services to clients through two pooled investment vehicles, namely Jasper Global Investment Master Fund (the “Master Fund”), Jasper Global Investment Feeder Fund (the “Feeder Fund”), and Jasper Global Investment US Feeder Fund LP (collectively the “Global Funds”), and Jasper China, LP (the “Jasper China”).

### **Item 5.1 Fees and compensation of Global Funds**

Under the terms of the an investment management agreement (the “Management Agreement”) among the Investment Manager and the Global Funds, the Global Funds pay to the Investment Manager a monthly “Management Fee” as described below, and under the terms of the Memorandum and Articles of Association of the Master Fund, the Master Fund allocates to Jasper Asset GP, LLC, an affiliate of the Investment Manager (the “General Partner”) (or its affiliate or delegate), an annual “Incentive Allocation” as described below. All fees to the Portfolio Managers (other than fees attributable to exchange traded funds, closed end funds or similar funds or accounts) will be paid from the Investment Manager or one of its affiliates.

To the extent the Management Fee is charged to the Global Funds at the Master Fund level, no Management Fee will be paid at the Feeder Funds level. The Investment Manager, in its sole discretion, may, in effect, waive or reduce the Management Fee to be paid to it by shareholders that are members, principals, employees or affiliates of the Investment Manager or relatives of such persons and for certain large or strategic investors. In such circumstances, the Global Funds may, for administrative convenience, issue a separate sub-class of Common Shares to any such person.

The Adviser will be paid a management fee as of the beginning of each month (the “Management Fee”). The Management Fee for any month is an amount equal to 0.125% (i.e., 1.5% per annum) of the net assets of the Fund as of the first day of each month. Fees charged to each Fund are fully described in the respective Fund’s offering document.

Investment management fees are charged each month in advance based on the total market value of the assets in the client account (including net unrealized appreciation or depreciation of investments and cash, cash equivalents and accrued interest) on the first day of the month. If a new client account is established during a quarter or a client makes an addition to its account during a quarter the investment management fee will be charged as of the effective date of the investment management agreement or the date of the additional contribution based on the value of the assets as of the applicable date and will be prorated for the number of days remaining in the month. The Adviser deducts the investment management fee from client accounts on a monthly basis by instructing the client’s custodian.

The Adviser, in its sole discretion, may waive or reduce the investment management fees to be paid by investors in the Global Funds that are members, principals, employees or affiliates of the Adviser, relatives of such persons and certain large or strategic investors.

The Adviser will be paid incentive-based compensation, which is compensation that is based on a share of capital gains on or capital appreciation of the assets of a client. This compensation will be paid to the Adviser and will generally be calculated at a rate of 15%.

The Adviser, in its sole discretion, may waive or reduce the incentive-based compensation to be paid by investors in the Global Funds that are members, principals, employees or affiliates of the Adviser, relatives of such persons and certain large or strategic investors.

As described herein, the Adviser may retain sub-advisers for certain Global Funds. Any compensation of such sub-advisers will either be paid by the Adviser or paid by the Global Funds with an offset to the Adviser's compensation.

The Adviser will render its services to the Global Funds at its own expense, including all ordinary office overhead expenses, which include rent, supplies, secretarial expenses, stationery, charges for furniture and fixtures and compensation of analysts and other personnel. The Global Funds will pay all its own expenses, including (a) all reasonable expenses related to the Global Funds' organization, including, but not limited to, legal and accounting fees, compliance, government filing and registration fees, printing and mailing expenses, and other administrative expenses of the offering of interests in the Global Funds, (b) legal, accounting, audit and other professional fees and expenses, including those associated with the purchase, holding, sale or transmittal of the Fund's assets such as investigating potential investments or maximizing return on existing investments and (c) custodial fees, administration fees and expenses, bank service fees, Global Funds-related insurance costs (including professional liability insurance covering the Directors, the Adviser and/or officers of the Fund), fees and expenses of the Directors, proxy voting service fees and expenses, research fees and expenses (including research-related travel), investment expenses (such as interest on margin accounts and other indebtedness, borrowing charges on securities sold short, and brokerage commissions), transfer taxes, fees and expenses for consulting, research and statistical services (including but not limited to technology, hardware, software and data feeds), expenses of regulatory compliance, filings and reporting (including but not limited to Section 13, Section 16 and Form PF filings), proxy agent fees, the Global Fund's pro rata share of the expenses of master funds and any extraordinary expenses such as litigation expenses. To the extent the Adviser allocates a portion of the Global Fund's assets to third-party Portfolio Managers, the Global Fund will incur certain expenses associated with managed accounts or commingled funds managed by such third-party Portfolio Managers as determined by the Adviser in its sole discretion.

Organizational expenses of the Global Funds will be paid by the Global Funds and may be amortized over a period of up to 60 months from the date the Global Funds commence operations.

#### Item 5.2 Fees and compensation of Jasper China

Jasper China will pay to the General Partner (or an affiliate thereof) a quarterly advisory fee, payable in advance, equal to one-half of one percent (i.e., 0.50% per quarter and 2.0% per annum) of each Limited Partner's capital account as of the opening of business on the first day of such calendar quarter (the "Management Fee"). The Management Fee shall be adjusted on a pro rata basis for any contributions made during the calendar quarter but will not be adjusted for withdrawals occurring during the calendar quarter. The General Partner may, in its sole discretion, waive, reduce or otherwise modify all or any portion of the Management Fee for any Limited Partners.

The General Partner is entitled to a performance reallocation equal to twenty percent (20%) of the net profits (realized and unrealized) allocated to each Limited Partner's capital account in Jasper China for the applicable fiscal year (the "Performance Reallocation").

The Performance Reallocation is subject to a loss carryforward limitation, so that no Performance Reallocation for a particular Limited Partner is made to the General Partner until net profits (realized and unrealized) allocated to such Limited Partner for the fiscal year exceed such Limited Partner's loss carryforward amount. The loss carryforward amount for a particular Limited Partner shall be the sum of all prior net losses (realized and unrealized) allocated to the Limited Partner that have not been subsequently offset by net profits. Such Performance Reallocation shall be adjusted to take into account any distributions to or withdrawals by a Limited Partner, with the loss carryforward amount of prior net losses that must be

offset before a Performance Reallocation is made to the General Partner being reduced in proportion to the distribution or withdrawal.

The General Partner may, in its sole discretion, without the consent of the other Partners, waive, reduce or otherwise modify its Performance Reallocation as to any Limited Partner, and may otherwise vary the terms of the Performance Reallocation as to a Limited Partner by agreement with that Partner.

#### Item 5.3 The allocation of expense

The allocation of expenses by the Adviser between it and any client and among clients represents a conflict of interest for the Adviser. The Adviser allocates expenses to each client in accordance with the client's arrangements with the Adviser (including applicable client disclosures). The Adviser seeks to allocate shared expenses for products and services benefiting the Adviser and the client and not covered in the client's arrangements in manner that is fair and reasonable over time. The Adviser allocates common client expenses among multiple clients using a variety of methods including methods based on assets under management, relative use of a product or service, the nature or source of a product or service, the relative benefits derived by each client from a product or service, or other relevant factors. Nonetheless, the portion of a common expense that the Adviser allocates to a client for a particular product or service, may not reflect the relative benefit derived by the client from that product or service in any particular instance.



## **Item 6. Performance-Based Fees and Side-by-Side Management**

The Adviser, its affiliate and their investment personnel provide investment management services to multiple portfolios for multiple clients. The Adviser (or an affiliate of the Adviser) is entitled to be paid performance-based compensation by the funds. Such performance-based compensation may create an incentive for the Adviser to make investments that are riskier or more speculative than would be the case in the absence of such performance-based compensation arrangements. In addition, the Adviser's investment personnel may be compensated on a basis that includes a performance-based component.

The Adviser has adopted and implemented policies and procedures intended to address conflicts of interest that may arise relating to the management of multiple accounts, including accounts with different fee arrangements, and the allocation of investment opportunities. Generally, the Adviser addresses this conflict of interest by utilizing an investment allocation policy designed to treat all accounts fairly and equitably. The Adviser reviews investment decisions for the purpose of ensuring that all accounts with substantially similar investment objectives are treated equitably. The performance of similarly managed accounts is also regularly compared to determine whether there are any unexplained significant discrepancies. In addition, the Adviser's procedures relating to the allocation of investment opportunities require that similarly managed accounts participate in investment opportunities pro rata based on asset size and require that, to the extent orders are aggregated, the client orders are price-averaged. Finally, the Adviser's procedures also require the objective allocation for limited opportunities (such as initial public offerings and private placements) to ensure fair allocation among accounts.

**Item 7. Types of Clients**

The Adviser's clients consist of funds that are managed on a discretionary basis. Any initial and additional subscription minimums for such funds are disclosed in the offering memorandum for the pooled investment vehicle. The securities of these funds are not registered under the Securities Act of 1933, as amended. In addition, the funds are not registered under the Investment Company Act of 1940, as amended, and may or may not be continuously offered.

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

The fund's principal investment objective is to maximize risk adjusted total return through a multi-strategy approach investing primarily in a long and short book of global equities.

Investing in securities and other financial instruments involves a risk of loss that clients should be prepared to bear. Those risks will vary based on the nature and attributes of the relevant investment approach and the specific securities and other instruments held. The following summary identifies the material risks related to the Adviser's significant investment approaches and should be carefully evaluated before making an investment with the Adviser; however, the following does not intend to identify all possible risks of an investment with the Adviser or provide a full description of the identified risks. For additional information on the risks associated with a particular investment approach, as well as the types of investments it may hold, please review the applicable Fund's offering document.

As part of the investment strategy for certain Funds, the Adviser will engage sub-advisers to manage a portion of such Funds' assets. The Adviser will be highly dependent upon the expertise and abilities of the sub-advisers who will have investment discretion over some of the Funds' assets. The Adviser selects sub-advisers based upon information received from each sub-adviser. However, the Adviser may not always be provided with detailed information regarding all the investments made by the sub-advisers because certain of this information may be considered proprietary information by sub-advisers. Although the Adviser seeks to select only sub-advisers that will invest the Funds' assets with the highest level of integrity, the Adviser has no control over the day-to-day operations of any of the selected sub-advisers. As a result, there can be no assurance that the conduct of every sub-adviser will conform to these standards. The risks described herein apply to the investment approaches of the Adviser as well as the sub-advisers.

*Leverage.* While the use of certain forms of leverage including margin borrowing, structured products or derivative instruments can substantially improve the return on invested capital, such use may also increase the adverse impact to which a Fund's portfolio may be subject. The amount of borrowings which a Fund may have outstanding at any time may be substantial in relation to its capital. Leverage has the effect of increasing overall returns if the return on the investment made is greater than the cost of borrowed funds. Leverage, however, exaggerates the return of the underlying investments and in a period of unfavorable returns, the leverage would magnify any loss of a Fund and these unfavorable results could continue for substantial periods of time and could result in a substantial loss to a Fund which would be greater than if the Fund was not leveraged. In certain circumstances, losses may result that could exceed the amount of capital or assets.

Borrowings will usually be from securities brokers and dealers and will typically be secured by a Fund's securities and other assets. Under certain circumstances, such a broker-dealer may demand an increase in the collateral that secures a Fund's obligations and if the Fund were unable to provide additional collateral, the broker-dealer could liquidate assets held in the account to satisfy the Fund's obligations to the broker-dealer. Liquidation in that manner could have extremely adverse consequences.

In addition, the amount of a Fund's borrowings and the interest rates on those borrowings, which will fluctuate, will have a significant effect on the Fund's profitability. The Adviser or a sub-adviser may find it difficult or impossible to obtain leverage for a Fund. In such event, the Fund could find it difficult to implement its strategy. In addition, any leverage obtained, if terminated on short notice by the lender, could result in a Fund being forced to unwind positions quickly and at prices below what the Adviser or sub-adviser deems to be fair value for such positions.

The Fund may be deemed to be a speculative investment and is not intended as a complete investment program. Investment in the Fund is suitable only for 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 meet the conditions set forth in this Memorandum and the Subscription Agreement. There can be no assurances that the Fund will achieve its investment objective. Investment in the Fund involves significant risks, and while the following summary of certain of these risks must be carefully evaluated before making an investment in the Fund, the following does not intend to describe all possible risks of such an investment. References to the Fund's portfolio include portfolios managed by the Portfolio Managers to the extent applicable.

*Market Risks.* The profitability of a significant portion of the Fund's investment program depends to a great extent upon correctly assessing the future course of the price movements of securities and other investments. There can be no assurance that the Adviser or the Portfolio Managers will be able to predict accurately these price movements. Although the Adviser and the Portfolio Managers may attempt to mitigate market risk through the use of long and short positions or other methods, there is always some, and occasionally, a significant degree of market risk.

*Nature of Investments.* The Adviser has broad discretion in allocating the Fund's assets to Portfolio Managers. Investments will generally consist of global equity securities and other assets that may be affected by business, financial market or legal uncertainties. There can be no assurance that the Adviser or any Portfolio Manager will correctly evaluate the nature and magnitude of the various factors that could affect the value of and return on investments. Prices of investments may be volatile, and a variety of factors that are inherently difficult to predict, such as domestic or international economic and political developments, may significantly affect the results of the Fund's activities and the value of its investments. In addition, the value of the Fund's portfolio may fluctuate as the general level of interest rates fluctuates. No guarantee or representation is made that the Fund's investment objective will be achieved.

*Non-Diversification.* While the Fund's portfolio will generally contain a number of both long and short positions, the Fund will invest primarily in equity securities. In addition, it is possible that, at a given time, positions in a concentrated number of issuers may comprise a substantial portion of the Fund's portfolio. Accordingly, the investment portfolio of the Fund may be subject to more rapid change in value than would be the case if the Fund were required to maintain a wide diversification among issuers, market capitalizations, industries, types of securities or instruments and geographic areas.

*Leverage.* While the use of certain forms of leverage including margin borrowing, structured products or derivative instruments can substantially improve the return on invested capital, such use may also increase the adverse impact to which the Fund's portfolio may be subject. The amount of borrowings which the Fund may have outstanding at any time may be substantial in relation to its capital. Leverage has the effect of increasing overall returns if the return on the investment made is greater than the cost of borrowed funds. Leverage, however, exaggerates the return of the underlying investments and in a period of unfavorable returns, the leverage would magnify any loss of the Fund and these unfavorable results could continue for substantial periods of time and could result in a substantial loss to the Fund which would be greater than if the Fund was not leveraged. In certain circumstances, losses may result that could exceed the amount of capital or assets.

Borrowings will usually be from securities brokers and dealers and will typically be secured by the Fund's securities and other assets. Under certain circumstances, such a broker-dealer may demand an increase in the collateral that secures the Fund's obligations and if the Fund were unable to provide additional collateral, the broker-dealer could liquidate assets held in the account to satisfy the Fund's obligations to the broker-dealer. Liquidation in that manner could have extremely adverse consequences. In addition, the amount of the Fund's borrowings and the interest rates on those borrowings, which will fluctuate, will have a significant effect on the Fund's profitability.

In an unsettled credit environment, a Portfolio Manager may find it difficult or impossible to obtain leverage for the Fund. In such event, the Fund could find it difficult to implement its strategy. In addition, any leverage obtained, if terminated on short notice by the lender, could result in a Portfolio Manager being forced to unwind the Fund's positions quickly and at prices below what the Portfolio Manager deems to be fair value for such positions.

*Equity.* The Adviser utilizes research to generate both long and short investments in global equities. Investments in equity markets are subject to many risk factors, including risks arising from economic conditions, government regulations, market sentiment, local and international political events, and environmental and technological issues. In addition, the market value of equity securities will fluctuate in response to changes in currency values.

*Non-U.S. Securities.* Investing in securities of non-U.S. governments and non-U.S. companies which are generally denominated in non-U.S. currencies and utilization of options on non-U.S. securities involves certain considerations comprising both risks and opportunities not typically associated with investing in securities of the United States government or United States companies. These considerations include changes in exchange rates and exchange control regulations, political and social instability, expropriation, imposition of foreign taxes, less liquid markets and less available information than is generally the case in the United States, higher transaction costs, less government supervision of exchanges, brokers and issuers, greater risks associated with counterparties and settlement, difficulty in enforcing contractual obligations, lack of uniform accounting and auditing standards and greater price volatility.

*Emerging Markets.* Investing in emerging markets involves certain risks and special considerations not typically associated with investing in other more established economies or securities markets. Such risks may include (i) the risk of nationalization or expropriation of assets or confiscatory taxation; (ii) social, economic and political uncertainty including war; (iii) dependence on exports and the corresponding importance of international trade; (iv) price fluctuations, less liquidity and smaller capitalization of securities markets; (v) currency exchange rate fluctuations; (vi) rates of inflation (including hyperinflation); (vii) controls on foreign investment and limitations on repatriation of invested capital and on the Fund's ability to exchange local currencies for U.S. dollars; (viii) governmental involvement in and control over the economies; (ix) governmental decisions to discontinue support of economic reform programs generally and to impose centrally planned economies; (x) differences in auditing and financial reporting standards which may result in the unavailability of material information about issuers; (xi) less extensive regulation of the securities markets; (xii) longer settlement periods for securities transactions; (xiii) less developed corporate laws regarding fiduciary duties of officers and directors and the protection of investors; (xiv) certain considerations regarding the maintenance of Fund portfolio securities and cash with non-U.S. sub-custodians and securities depositories.

*Currency Risks.* The investments of the Fund that are denominated in non-U.S. currencies are subject to the risk that the value of a particular currency will change in relation to one or more other currencies. Among the factors that may affect currency values are trade balances, the level of short-term interest rates, differences in relative values of similar assets in different currencies, long-term opportunities for investment and capital appreciation and political developments. From time to time, a Portfolio Manager may try to hedge these risks by investing in currencies and options thereon, forward currency exchange contracts, or any combination thereof, but there can be no assurance that such strategies will be implemented or, if implemented, will be effective.

*Special Situations and Distressed Securities.* The Fund may invest in companies involved in (or the target of) acquisition attempts or tender offers or in companies involved in work-outs, liquidations, spin-offs,

reorganizations, bankruptcies and similar transactions. In any investment opportunity involving any such type of special situation, there exists the risk that the contemplated transaction either will be unsuccessful, take considerable time or will result in a distribution of cash or a new security the value of which will be less than the purchase price to the Fund of the security or other financial instrument in respect of which such distribution is received. Similarly, if an anticipated transaction does not in fact occur, the Fund may be required to sell its investment at a loss. Because there is substantial uncertainty concerning the outcome of transactions involving financially troubled companies in which the Fund may invest, there is a potential risk of loss by the Fund of its entire investment in such companies.

*High Growth Industry Related Risks.* Certain of the high growth companies (e.g., those in the pharmaceutical and technology industries) in which the Fund may invest, may allocate, or may have allocated, greater than usual amounts to research and product development. The securities of such companies may experience above-average price movements associated with the perceived prospects of success of the research and development programs. In addition, companies in which the Fund invests could be adversely affected by lack of commercial acceptance of a new product or products or by technological change and obsolescence. Some of these companies may have limited operating histories. As a result, these companies may face undeveloped or limited markets, have limited products, have no proven profit-making history, may operate at a loss or with substantial variations in operating results from period to period, have limited access to capital and/or be in the developmental stages of their businesses.

Further, many high growth companies with proprietary technology rely on a combination of patent, copyright, trademark and trade secret protection and non-disclosure agreements to establish and protect their proprietary rights, which may be essential to the growth and profitability of the company. There can be no assurance that a particular company will be able to protect these rights or will have the financial resources to do so, or that competitors will not develop or patent technologies that are substantially equivalent or superior to the technology of a company in which the Fund invests. Conversely, other companies may make infringement claims against a company in which the Fund invests, which could have a material adverse effect on such company.

The markets in which many high growth companies operate are extremely competitive. New technologies and improved products and services are continually being developed, rendering older technologies, products and services obsolete. Moreover, competition can result in significant downward pressure on pricing. There can be no assurance that companies in which the Fund invests will successfully penetrate their markets or establish or maintain competitive advantages.

*Small to Medium Cap Stocks.* The Portfolio Managers may invest in the stocks of companies with small to medium sized market capitalizations. While these investments may provide significant potential for appreciation, such stocks, particularly smaller capitalization stocks, involve higher risks in some respects than do investments in stocks of larger companies. For example, prices of such stocks are often more volatile than prices of large capitalization stocks. In addition, due to thin trading in some such stocks, an investment in these stocks may be more illiquid than that of larger capitalization stocks.

*Short Sales.* The Fund's investment program includes allocations to Portfolio Managers that engage in short selling. Short selling, or the sale of securities not owned by the Fund, necessarily involves certain additional risks. Such transactions expose the Fund to the risk of loss in an amount greater than the initial investment, and such losses can increase rapidly and in the case of equities, without effective limit. There is the risk that the securities borrowed by the Fund in connection with a short sale would need to be returned to the securities lender on short notice. If such request for return of securities occurs at a time when other short sellers of the subject security are receiving similar requests, a "short squeeze" can occur, wherein the Fund

might be compelled, at the most disadvantageous time, to replace borrowed securities previously sold short with purchases on the open market, possibly at prices significantly in excess of the proceeds received earlier.

*Options.* The purchase or sale of an option involves the payment or receipt of a premium by the investor and the corresponding right or obligation, as the case may be, to either purchase or sell the underlying security, commodity or other instrument for a specific price at a certain time or during a certain period. Purchasing options involves the risk that the underlying instrument will not change price in the manner expected, so that the investor loses its premium. Additionally, the premium paid for an option is based, in part, on the time to expiration, and with the passage of time, the premium associated with an option declines, assuming all other factors being equal. Selling options involves potentially greater risk because the investor is exposed to the extent of the actual price movement in the underlying security rather than only the premium payment received (which could result in a potentially unlimited loss). Over-the-counter options also involve counterparty solvency risk.

*Derivatives.* Portfolio Managers may utilize both exchange-traded and over-the-counter derivatives, including, but not limited to, futures, forwards, swaps, options and contracts for differences, as part of their investment strategies. These instruments can be highly volatile and expose investors to a high risk of loss. 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.

The 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. There is no assurance that a liquid secondary market will exist for many derivatives, and the Fund may be required to maintain a position until exercise or expiration, which could result in losses. Many futures exchanges limit the amount of fluctuation permitted in contract prices during a single trading day. Once the daily limit has been reached in a particular contract, no trades may be made that day at a price beyond that limit. Contract prices could move to the daily limit for several consecutive trading days permitting little or no trading, thereby preventing prompt liquidation of futures and options positions and potentially subjecting the Fund to substantial losses. Investing in derivatives is a highly specialized investment activity entailing greater than ordinary investment risks.

*Loans of Portfolio Securities.* A Portfolio Manager may from time to time lend securities from its portfolio to brokers, dealers and financial institutions and receive collateral in cash or securities. Any cash collateral received by the Fund will be invested in short-term securities, the income from which will increase the return to the Fund. The Fund will retain all rights of beneficial ownership as to the loaned portfolio securities, including voting rights and rights to interest or other distributions, and will have the right to regain record ownership of loaned securities to exercise such beneficial rights. Such loans will be terminable at any time. The Fund may pay finders', administrative and custodial fees to persons unaffiliated with the Fund in connection with the arranging of such loans.

*Arbitrage Transaction Risks.* Arbitrage strategies attempt to take advantage of perceived price discrepancies of identical or similar financial instruments, on different markets or in different forms. Portfolio Managers may employ event-driven arbitrage strategies, or one or more other types of arbitrage strategies. If the requisite elements of an arbitrage strategy are not properly analyzed, or unexpected events or price movements intervene, losses can occur which can be magnified to the extent the Fund is employing leverage. Moreover, arbitrage strategies often depend upon identifying favorable "spreads", which can also be identified, reduced or eliminated by other market participants.

*Use of Quantitative Methodologies.* The quantitative methodologies that may be used by the Portfolio Managers to make investments for the Fund utilize historical data. Financial and economic patterns, trends and relationships are not immutable, however, and there is no guarantee that the patterns, trends and relationships that appear to a Portfolio Manager to govern any investments or markets will continue to govern such investment or market in the future.

While it is anticipated that a Portfolio Manager will make efforts to control the risks associated with market changes, and will attempt to identify changes as they occur, market environment changes can be sudden and extreme. When these changes occur, certain market dynamics can make the changes more severe and can cause their adverse effects to spread to other markets not affected by the initial changes.

In particular, events can cause other market participants to liquidate large positions in a short period of time in order to raise capital, reduce risk or meet margin calls. To the extent that these market participants hold positions in a portfolio of strategies similar to that of the Fund, all of these strategies may begin to exhibit adverse returns and correlations not seen under normal market conditions, even if the initial changes were in markets in which the Fund was not involved. Positions that would typically serve as hedges may actually move in tandem with the instruments they were initially attempting to hedge, adding further risk to the Fund.

The trading methodologies that may be employed by a Portfolio Manager rely on patterns inferred from the historical series of prices. Even if all of the assumptions of the models underlying the strategies were met exactly, the model can only make a prediction, which can be far from certain. Further, statistically-based models cannot fully match the complexity of the financial markets and as such, results of their application are uncertain. In addition, changes in underlying market conditions can adversely affect the performance of a statistical model.

*Multiple Portfolio Managers.* Because the Adviser delegates investment authority to Portfolio Managers who make their trading decisions independently, it is theoretically possible that one or more Portfolio Managers may, at any time, take positions that may be opposite of positions taken by other Portfolio Managers. It is also possible that the Portfolio Managers may on occasion be competing with each other for similar positions at the same time. In addition, it is possible that a Portfolio Manager may take a substantial position in the same security or group of securities as other Portfolio Managers. This possible lack of diversification may subject the investments of the Fund to more rapid change in value than would be the case if the assets of the Fund were more widely diversified.

*Activities of Portfolio Managers.* Although the Adviser seeks to select only Portfolio Managers that will invest the Fund's assets with the highest level of integrity, the Adviser has no control over the day-to-day operations of any of the unaffiliated Portfolio Managers. As a result, there can be no assurance that the conduct of every Portfolio Manager will conform to these standards.

*Lack of Information.* The Adviser selects unaffiliated Portfolio Managers based upon information received from such Portfolio Managers. However, the Adviser may not always be provided with detailed information regarding all the investments made by the Portfolio Managers because certain of this information may be considered proprietary information.

*Counterparty Risk.* To the extent that the Fund invests in swaps, "synthetic" or derivative instruments, repurchase agreements, certain types of options or other customized financial instruments, or, in certain circumstances, non-U.S. securities, the Fund takes the risk of non-performance by the other party to the



contract. This risk may include credit risk of the counterparty and the risk of settlement default. This risk may differ materially from those entailed in exchange-traded transactions that generally are supported by guarantees of clearing organizations, daily marking-to-market and settlement, and segregation and minimum capital requirements applicable to intermediaries. Transactions entered directly between two counterparties generally do not benefit from such protections and expose the parties to the risk of counterparty default.

*Brokerage and Custodial Risk.* There are risks involved in dealing with the custodians or prime brokers who settle Fund trades. The Fund maintains custody accounts with its prime broker and primary custodian, Credit Suisse (the “Prime Broker”). Although the Adviser monitors the Prime Broker and believes that they are appropriate custodians, there is no guarantee that the Prime Broker, or any other custodian that the Fund may use from time to time, will not become bankrupt or insolvent. While both the U.S. Bankruptcy Code and the Securities Investor Protection Act of 1970 seek to protect customer property in the event of a bankruptcy, insolvency, failure, or liquidation of a broker-dealer, there is no certainty that, in the event of a failure of a broker-dealer that has custody of Fund assets, the Fund would not incur losses due to its assets being unavailable for a period of time, the ultimate receipt of less than full recovery of its assets, or both.

The Fund and/or the Prime Broker may appoint sub-custodians in certain non-U.S. jurisdictions to hold the assets of the Fund. The Prime Broker may not be responsible for cash or assets which are held by sub-custodians in certain non-U.S. jurisdictions, nor for any losses suffered by the Fund as a result of the bankruptcy or insolvency of any such sub-custodian. The Fund may therefore have a potential exposure on the default of any sub-custodian and, as a result, many of the protections that would normally be provided to a fund by a custodian may not be available to the Fund. Under certain circumstances, including certain transactions where the Fund’s assets are pledged as collateral for leverage from a non-broker-dealer custodian or a non-broker-dealer affiliate of the Prime Broker, or where the Fund’s assets are held at a non-U.S. custodian, the securities and other assets deposited with the custodian or broker may not be clearly identified as being assets of the Fund and the Fund could be exposed to a credit risk with regard to such parties. Custody services in certain non-U.S. jurisdictions remain undeveloped and, accordingly, there is a transaction and custody risk of dealing in certain non-U.S. jurisdictions. Given the undeveloped state of regulations on custodial activities and bankruptcy, insolvency, or mismanagement in certain non-U.S. jurisdictions, the ability of the Fund to recover assets held by a sub-custodian in the event of the sub-custodian's bankruptcy or insolvency could be in doubt, as the Fund may be subject to significantly less favorable laws than many of the protections that would be available under U.S. laws. In addition, there may be practical or time problems associated with enforcing the Fund's rights to its assets in the case of a bankruptcy or insolvency of any such party.

*Hedging Transactions.* The Fund may utilize financial instruments, both for investment purposes and for risk management purposes: (i) in order to protect against possible changes in the market value of its investment portfolio resulting from fluctuations in the securities markets and changes in interest rates, (ii) in order to protect the Fund’s unrealized gains in the value of its investment portfolio, (iii) in order to facilitate the sale of any such investments, (iv) in order to enhance or preserve returns, spreads or gains on any investment in the Fund’s portfolio, (v) hedge the interest rate or currency exchange rate on any of the Fund’s liabilities or assets, (vi) in order to protect against any increase in the price of any securities the Fund anticipates purchasing at a later date or (vii) for any other reason that a Portfolio Manager deems appropriate.

The success of the hedging strategy of the Fund will be subject to each Portfolio Manager’s ability to correctly assess the degree of correlation between the performance of the instruments used in the hedging strategy and the performance of the investments in the portfolio being hedged. Since the characteristics of many securities change as markets change or time passes, the success of the Fund’s hedging strategy will

also be subject to each Portfolio Manager's ability to continually recalculate, readjust, and execute hedges in an efficient and timely manner.

While the Fund may enter into hedging transactions to seek to reduce risk, such transactions may result in a poorer overall performance for the Fund than if it had not engaged in any such hedging transactions. For a variety of reasons (e.g., cost and probability of occurrence of risk), a Portfolio Manager may not hedge against particular risks or may not establish a perfect correlation between such hedging instruments and the portfolio holdings being hedged. An imperfect correlation may prevent the Fund from achieving the intended hedge, and failure to hedge or an imperfect hedge may expose the Fund to risk of loss.

*Exchange Traded Funds (ETFs).* ETFs (which are generally registered investment companies) are effectively portfolios of securities. Accordingly, ETFs have many of the same risks as direct investments in common stocks or bonds although the potential lack of liquidity in an ETF could result in its value being more volatile than that of the underlying portfolio of securities. There may also be certain risks to the extent a particular ETF is concentrated on a particular sector, geographic region or asset class, and is not as diversified as the market as a whole. As an investor in an ETF, the Fund would bear its ratable share of the ETF's management fees and expenses in addition to the Fund's own fees and expenses. As a result, the Fund's shareholders, in effect, will be paying additional fees and expenses with respect to investments in ETFs.

*Biotechnology / Life Sciences Companies.* Life sciences companies are generally subject to greater governmental regulation than other industries at both the state and federal levels. Changes in these governmental policies may have a material effect on the demand for or costs of certain products and services. A life sciences company must receive government approval before introducing new drugs and medical devices or procedures. This process may delay the introduction of these products and services to the marketplace, resulting in increased development costs, delayed cost-recovery and loss of competitive advantage to the extent that rival companies have developed competing products or procedures, adversely affecting the company's revenues and profitability. Expansion of facilities by healthcare providers is subject to "determinations of need" by the appropriate government authorities. This process not only increases the time and cost involved in these expansions, but also makes expansion plans uncertain, limiting the revenue and profitability growth potential of healthcare facilities operators and negatively affecting the price of their securities. Certain life sciences companies depend on the exclusive rights or patents for the products they develop and distribute. Patents have a limited duration and, upon expiration, other companies may market substantially similar "generic" products which cost less to develop and may cause the original developer of the product to lose market share and/or reduce the price charged for the product, resulting in lower profits for the original developer. Finally, because the products and services of life sciences companies affect the health and well-being of many individuals, these companies are especially susceptible to product liability lawsuits. The share price of a life sciences company can drop dramatically not only as a reaction to an adverse judicial ruling, but also from the adverse publicity accompanying threatened litigation.

*Illiquidity and In Kind Distributions.* Shareholders are subject to significant restrictions on redemption. Transfers of shares will be permitted only with the written consent of the Board of Directors (or their delegate). Accordingly, an investment in the Fund is a relatively illiquid investment and involves a high degree of risk. Further, if a substantial number of shareholders were to redeem from the Fund and the Fund did not have a sufficient number of liquid securities, the Fund might have to meet such redemptions through distributions of thinly-traded or illiquid securities directly to shareholders or to a liquidating trust or liquidating account as further described under the heading "Distributions in Cash or in Kind" in Section 10 above. In light of the foregoing, a subscription for shares should be considered only by persons who are

financially able to maintain their investment for an extended period of time and who can accept a loss of all of their entire investment.

*Lack of Liquidity of Fund Assets; Valuation.* Fund assets may, at any given time, include securities, financial instruments or obligations which are very thinly traded or for which no market exists and/or which are restricted as to their transferability under applicable securities laws. The lack of an established, liquid secondary market for some Fund assets may have an adverse effect on the market value of those assets and on a Portfolio Manager's ability to dispose of them. The sale of any such investments may be possible only at substantial discounts. Further, such investments may be extremely difficult to value with any degree of certainty. In light of the foregoing, there is a risk that a shareholder who redeems all or part of its investment while the Fund holds such investments will be paid an amount less than it would otherwise be paid if the actual value of such investments is higher than the value designated by the Adviser. Similarly, there is a risk that such shareholder might, in effect, be overpaid if the actual value of the investments in restricted or thinly traded securities is lower than the value designated by the Adviser. In addition, there is a risk that an investment in the Fund by a new shareholder (or an additional investment by an existing shareholder) could dilute the profitability of such investments to existing shareholders.

Because of overall size, concentration in particular markets and maturities of positions held by the Fund, the value at which its investments can be liquidated may differ, sometimes significantly, from the interim valuations arrived at using the methodology described herein. In addition, the timing of liquidations may also affect the values obtained on liquidation. Securities to be held by the Fund may trade with bid-ask spreads that may be significant. The Fund is entitled to rely, without independent investigation, upon pricing information and valuations furnished by third parties, including pricing services. At times, third-party pricing information may not be available for certain positions held by the Fund.

*Incentive Allocation.* The allocation at the Master Fund level to the Adviser (or its affiliate or their delegates), as the holder of Incentive Allocation Shares, of a percentage of each shareholder's net profits may create an incentive for the Adviser to cause the Fund to make investments that are riskier or more speculative than would be the case if this allocation was not made. Since the Incentive Allocation is calculated on a basis which includes unrealized appreciation of assets, such allocation may be greater than if it were based solely on realized gains. Furthermore, a Portfolio Manager may be compensated based on the Portfolio Manager's performance, including unrealized gains and losses. Accordingly, a Portfolio Manager may be incentivized to cause the Fund to make investments that are riskier or more speculative than would be the case if such compensation were not paid.

*Shares Subject To Liabilities of Other Classes, Sub-Classes and Series.*

The Fund has the power to issue Common Shares in classes, sub-classes or series. The Articles provide for the manner in which the liabilities are to be attributed across the various classes, sub-classes or series (liabilities are to be attributed to the specific class or series in respect of which the liability was incurred). However, the Fund is a single legal entity and there is no limited recourse protection for any class, sub-class or series. Accordingly, all of the assets of the Fund will be available to meet all of its liabilities regardless of the class, sub-class or series to which such assets or liabilities are attributable. In practice, cross-class, cross-sub-class or cross-series liability is only expected to arise where liabilities referable to one class or series are in excess of the assets referable to such class, sub-class or series and it is unable to meet all liabilities attributed to it. In such a case, the assets of the Fund attributable to other classes, sub-classes or series may be applied to cover such liability excess and the value of the contributing classes, sub-classes or series will be reduced as a result.

*Side Letters.* Subject to the Articles, the Fund may enter into agreements ("Side Letters") with certain prospective or existing shareholders whereby such shareholders may be subject to terms and conditions that

re more advantageous than those set forth in this Memorandum. For example, such terms and conditions may provide for special rights to make future investments in the Fund, other investment vehicles or managed accounts, as appropriate; special redemption rights, relating to frequency, notice, a reduction or rebate in fees or redemption penalties to be paid by the shareholder and/or other terms; rights to receive reports from the Fund on a more frequent basis or that include information not provided to other shareholders (including, without limitation, more detailed information regarding portfolio positions) and such other rights as may be negotiated by the Fund and such shareholders. The modifications are solely at the discretion of the Fund and may, among other things, be based on the size of the shareholder's investment in the Fund or affiliated investment entity, an agreement by a shareholder to maintain such investment in the Fund for a significant period of time, or other similar commitment by a shareholder to the Fund.

*Cybersecurity Breaches and Identity Theft.* The Fund and its service providers, including the Adviser and Portfolio Managers, may be subject to operational and information security risks resulting from cyber-attacks. Cyber-attacks include, among other behaviors, stealing or corrupting data maintained online or digitally, denial of service attacks on websites, the unauthorized release of confidential information or various other forms of cybersecurity breaches. Cybersecurity attacks affecting the Fund or its service providers may adversely impact the Fund. For instance, cyber-attacks may interfere with the processing or execution of Fund transactions, cause the release of confidential information, including private information about shareholders, subject the Fund, the Adviser and the Portfolio Managers to regulatory fines or financial losses, or cause reputational damage. Similar types of cybersecurity risks are also present for issuers of securities in which the Fund may invest. These risks could result in material adverse consequences for such issuers, and may cause the Fund's investments in such issuers to lose value.

*Lack of Operating History.* While the Adviser and its key personnel have experience in the securities industry, the Fund and the Master Fund are newly-formed entities with no operating histories.

*Non-Disclosure of Positions.* In an effort to protect the confidentiality of its positions, the Fund generally will not disclose its positions to shareholders on an ongoing basis, although the Adviser, in its sole discretion, may permit such disclosure on a select basis to certain shareholders if the Adviser determines that there are sufficient confidentiality agreements and procedures in place.

*Absence of Regulatory Oversight.* While the Fund may be considered similar to an investment company, it does not intend to register as such under the U.S. Investment Company Act of 1940, as amended, in reliance upon an exemption available to privately offered investment companies, and, accordingly, the provisions of that act (which, among other matters, require investment companies to have disinterested directors, require securities held in custody to at all times be individually segregated from the securities of any other person or marked to clearly identify such securities as the property of such investment company and regulate the relationship between the adviser and the investment company) will not be applicable.

Registration under the Mutual Funds Law (Revised) of the Cayman Islands (the "Mutual Funds Law") does not involve a detailed examination of the merits of the Fund or substantive supervision of the investment performance of the Fund by the Cayman Islands government or the Cayman Islands Monetary Authority (the "Monetary Authority").

*Business and Regulatory Risks of Hedge Funds.* Legal, tax and regulatory changes could occur during the term of the Fund that may adversely affect the Fund. The regulatory environment for hedge funds is evolving, and changes in the regulation of hedge funds may adversely affect the value of investments held by the Fund and the ability of the Fund to obtain the leverage it might otherwise obtain or to pursue its trading strategies. In addition, securities and futures markets are subject to comprehensive statutes, regulations and margin requirements. Regulators and self-regulatory organizations and exchanges are authorized to take extraordinary actions in the event of market emergencies. The regulation of derivative

transactions and funds that engage in such transactions is an evolving area of law and is subject to modification by government and judicial actions. The effect of any future regulatory change on the Fund could be substantial and adverse including, for example, increased compliance costs, the prohibition of certain types of trading and/or the inhibition of the Fund's ability to pursue certain of its investment strategies as described in this Memorandum.

*Voting Rights.* In general, each Common Share is entitled to one vote on a poll, however, because different series will have different net asset values it is possible that a shareholder with more money invested in the Fund will have fewer votes than a shareholder with less money invested in the Fund.

*Directors are also Service Providers.* Mr. Jian Feng Hou and Mr. Nigel David Stead will act as Directors of the Fund. Mr. Jian Feng Hou and Mr. Nigel David Stead are each to be regarded as interested in any contract or arrangement with any organization that each is affiliated with. The duties of the Board of Directors to the Fund may compete with or be different from the interests of its service providers, including the Adviser. Only the Board of Directors may terminate the services of any service provider on behalf of the Fund.

*Accounting for Uncertainty in Income Taxes.* The Financial Accounting Standards Board has released Accounting Standards Codification Topic 740 ("ASC 740") (formerly known as "FIN 48") to provide consistent guidance on the recognition of uncertain tax positions. ASC 740 prescribes, among other things, the minimum recognition threshold that a tax position is required to meet before being recognized in an entity's financial statements. Prospective shareholders should be aware that, among other things, ASC 740 could have a material adverse effect on the periodic calculations of the net asset value of the Fund, including reducing the net asset value of the Fund to reflect reserves for income taxes that may be payable in respect of prior periods by the Fund. This could adversely affect certain shareholders, depending upon the timing of their purchase and redemption of Common Shares.

*Conflicts of Interest.* The Adviser will also serve as Adviser to the Master Fund and the U.S. Feeder. In addition to the U.S. Feeder and the Master Fund, the Adviser also serves as the Adviser of Jasper China LP (the "China Fund"). In addition, the Adviser (and its members, principals, affiliates and employees) serve as investment adviser or Adviser to other client accounts and conduct investment activities for their own accounts. Such other entities or accounts (collectively with the U.S. Fund and the China Fund, the "Other Clients") may have investment objectives or may implement investment strategies similar to those of the Fund. Accordingly, the Fund and the Other Clients (in particular, proprietary accounts of the Adviser (or its principals) or its affiliates (or its principals)) may co-invest in many of the same securities and issuers.

The Adviser (or its members, principals, affiliates and employees) may give advice or take action with respect to the Other Clients that differs from the advice given with respect to the Fund. To the extent a particular investment is suitable for both the Fund and the Other Clients, such investments will be allocated between the Fund and the Other Clients pro rata based on assets under management or in some other manner which the Adviser determines is fair and equitable under the circumstances to all clients, including the Fund. From the standpoint of the Fund, simultaneous identical portfolio transactions for the Fund and the Other Clients may tend to decrease the prices received, and increase the prices required to be paid, by the Fund for its portfolio sales and purchases. Where less than the maximum desired number of shares of a particular security to be purchased is available at a favorable price, the shares purchased will be allocated among the Fund and the Other Clients in an equitable manner as determined by the Adviser.

In addition, purchase and sale transactions (including swaps) may be effected between the Fund and the Other Clients subject to the following guidelines: (i) such transactions shall be effected for cash consideration at the current market price of the particular securities and (ii) no brokerage commission or

fee (except for customary transfer fees or commissions paid to a third party broker) or other remuneration shall be paid in connection with any such transaction.

The Adviser selects the Portfolio Managers and determines the portion of the Fund's assets to be allocated to each Portfolio Manager. Portfolio Managers include individuals (or teams of individuals) within the Adviser, including individuals who participate in the selection of, and allocation to, Portfolio Managers. In addition, the compensation of unaffiliated Portfolio Managers is paid by the Adviser or its affiliates. As a result of the foregoing, the Adviser has an incentive to allocate the Fund's assets to internal Portfolio Managers.

While the Master Fund's portfolio is typically based on pricing from independent sources such as brokers, in calculating net asset value, the Administrator is entitled to rely on information provided by the Adviser. Because the Adviser (or its affiliate or their delegates) is allocated a percentage of the Fund's net profits (which includes unrealized gains on the Master Fund's investments), the Adviser's involvement regarding valuation of the Master Fund's portfolio may present a potential conflict of interest.

The Adviser (and its members, principals, affiliates and employees) may have conflicts of interest in allocating their time and activity between the Fund and the Other Clients, in allocating investments among the Fund and the Other Clients and in effecting transactions between the Fund and the Other Clients, including ones in which the Adviser (and its members, principals, affiliates and employees) may have a greater financial interest.

In addition, each unaffiliated Portfolio Manager may serve as investment adviser or Adviser to other client accounts and conduct investment activities for their own accounts. Accordingly, each such Portfolio Manager may have conflicts of interest in allocating its time and activity between the Fund and its other clients and accounts, and in allocating investments among the Fund and its other clients and accounts.

The Fund bears its own expenses as described in Section 6 of this Memorandum. Each Other Client bears its own expenses as set forth in its respective investment management or other agreement with the Adviser. Expenses borne by the Other Clients may differ from the expenses born by the Fund. In certain instances, the Fund may bear expenses that the Adviser has agreed to bear for Other Clients. In other instances, the Other Clients may bear expenses that the Adviser has agreed to bear for the Fund.

Common expenses frequently will be incurred on behalf of the Fund and the Other Clients. The Adviser seeks to allocate those common expenses among the Fund and the Other Clients in a manner that is fair and reasonable over time. However, expense allocation decisions will involve potential conflicts of interest (e.g., an incentive to favor accounts that pay higher incentive fees, or conflicts relating to different expense arrangements with certain clients). The Adviser may use a variety of methods to allocate common expenses among the Fund and the Other Clients including methods based on assets under management, relative use of a product or service, the nature or source of a product or service, the relative benefits derived by the Fund and the Other Clients from a product or service, or other relevant factors. Nonetheless, investors should note that the portion of a common expense that the Adviser allocates to the Fund for a particular product or service, may not reflect the relative benefit derived by the Fund from that product or service in any particular instance. The Adviser's expense allocations often depend on inherently subjective determinations and, accordingly, expense allocations made by the Adviser in good faith will be final and binding on the Fund.

The Adviser will use its best efforts in connection with the purposes and objectives of the Fund and will devote so much of its time and effort to the affairs of the Fund as may, in its judgment, be necessary to accomplish the purposes of the Fund. Managing members of the Adviser as well as members or employees of the Adviser who serve as Portfolio Managers have responsibilities for other functions of the Adviser or its affiliates. Accordingly, each such member or employee may have conflicts of interest in allocation his

or her time. The Management Agreement specifically provides that the Adviser (or its members, principals, affiliates and employees) may conduct any other business, including any business within the securities industry, whether or not such business is in competition with the Fund. Without limiting the generality of the foregoing, the Adviser (or its members, principals, affiliates and employees) may act as investment adviser or Adviser for others, may manage funds or capital for others, may have, make and maintain investments in its own name or through other entities and may serve as an officer, director, consultant, partner or stockholder of one or more investment funds, partnerships, securities firms or advisory firms. The Management Agreement also recognizes that it may not always be possible or consistent with the investment objectives of the various persons or entities described above and of the Fund for the same investment positions to be taken or liquidated at the same time or at the same price.

**Item 9. Disciplinary Information**

There are no legal or disciplinary events that would be material to a client's or prospective client's evaluation of the Adviser's business or the integrity of its management.



#### **Item 10. Other Financial Industry Activities and Affiliations**

Jasper Capital is an investment adviser established by Mr. Wang, Ms. Shi, Mr. Jiang, and other individuals, in June 2013 with its principal place of business in Shenzhen, China. Jasper Capital is registered with the Asset Management Association of China (People's Republic of China). Mr. Wang is the CEO of Jasper Capital, Mr. Jiang is CFO of Jasper Capital and Ms. Shi is the Chairwoman of Jasper Capital. Jasper Capital primarily provides investment advice regarding Chinese securities to clients located in China.

The Adviser's investment decisions are independent of those of Jasper Capital.

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

Potential and actual conflicts of interest may arise from the activities described herein. The Adviser has established policies and procedures to monitor and to the extent possible resolve conflicts and will endeavor to resolve conflicts with respect to investment opportunities in a manner it deems equitable to the extent possible under the prevailing facts and circumstances. Clients or prospective clients may obtain a copy of the Code of Ethics by contacting the Adviser's Chief Compliance Officer.

The Adviser strives to adhere to the highest industry standards of conduct based on principles of professionalism, integrity, honesty and trust. Accordingly, the Adviser has adopted a Code of Ethics pursuant to the Investment Advisers Act of 1940, as amended (the "Advisers Act") that is applicable to all of the Adviser's employees and other access persons and supervised persons (collectively, the "Covered Persons"). The Code of Ethics contains policies and procedures that, among other things:

- Require Covered Persons to observe fiduciary duties owed to clients;
- Prohibit Covered Persons from taking personal advantage of opportunities belonging to clients;
- Prohibit trading on the basis of material nonpublic information;
- Place limitations on personal trading by Covered Persons and impose reporting obligations with respect to such trading (except for US open-ended mutual funds, US Treasury securities, or other investments listed in the Code of Ethics);
- Impose limitations on the giving or receiving of gifts and entertainment;
- Impose reporting obligations on Covered Person outside business activities;
- Require pre-clearance on political contributions; and
- Prohibit disclosure by Covered Persons of confidential information of the Adviser and its clients.

Covered Person personal trades in securities covered by the Code of Ethics are monitored by the Chief Compliance Officer or its designee and governed by the procedures set forth in the Code of Ethics. Covered Persons may from time to time have proprietary investments in which clients of the Adviser also take a position, may trade and invest simultaneously with such clients, and may take investment positions that are different from or opposite to the positions taken by such clients

Furthermore, the Adviser has adopted procedures to prevent and detect misuse of material nonpublic information. Specifically, the Adviser's procedures prohibit any Covered Person from trading, either personally or on behalf of others (such as client accounts advised by the Adviser), while in possession of material nonpublic information, and prohibit Covered Persons from communicating material nonpublic information to others in violation of the law.

The Code of Ethics places restrictions on personal trades by Covered Persons, including that they disclose their personal securities holdings and transactions to the Adviser when hired (or when the person otherwise becomes a Covered Person) and on a periodic basis, and requires that Covered Persons pre-clear certain types of personal securities transactions. Under certain circumstances, the Adviser, its affiliates and Covered Persons may invest on behalf of themselves in securities and other instruments that would be appropriate for, held by, or may fall within the investment guidelines of clients. This practice presents a conflict when, because of the information the Adviser has, the Adviser or the Covered Persons are in a position to trade in a manner that could adversely affect the Adviser's clients. The Adviser, its affiliates and Covered Persons may give advice or take action for their own accounts that may differ from, conflict with or be adverse to advice given or action taken for clients. These activities may adversely affect the

prices and availability of other securities or instruments held by or potentially considered for one or more clients.

## **Item 12. Brokerage Practices**

### ***Selecting Brokerage Firms***

The Adviser will have investment discretion with respect to the initiation of portfolio securities transactions for the Funds as well as full authority to select broker-dealers to execute such transactions. Sub-advisers will also have investment discretion with respect to the initiation of portfolio transactions for the Funds and will have authority to select broker-dealers to execute such transactions from a list of approved broker-dealers maintained by the Adviser. Currently, each Fund uses a single prime broker and may utilize a number of additional broker-dealers to effect transactions in the future. The broker-dealers selected by the Adviser are chosen on the basis of obtaining the best overall terms available, which the Adviser evaluates based on a variety of factors, including the ability to achieve prompt and reliable executions at favorable prices, the operational efficiency with which transactions are effected, the competitiveness of the commission rates, the securities and margin lending arrangements available from the broker-dealers, overall product offering including market access and the willingness to enter into over-the-counter derivative transactions, and the financial strength, integrity and stability of the broker-dealers. In selecting a broker-dealer to execute transactions (or a series of transactions) and determining the reasonableness of the broker-dealer's compensation, the Adviser need not solicit competitive bids and does not have an obligation to seek the lowest available commission cost. It is not the Adviser's practice to negotiate "execution only" commission rates, thus a client may be deemed to be paying for research, brokerage or other services provided by a broker-dealer which are included in the commission rate.

### ***Soft Dollar Arrangements***

The Adviser receives research or other products or services other than execution from a broker-dealer in connection with client securities transactions. This is known as a "soft dollar" relationship. The Adviser will limit the use of "soft dollars" to obtain research and brokerage services to services that constitute research and brokerage within the meaning of Section 28(e) of the Securities Exchange Act of 1934, as amended ("Section 28(e)"). Research services within Section 28(e) may include, but are not limited to, research reports (including market research); certain financial newsletters and trade journals; software providing analysis of securities portfolios; corporate governance research and rating services; attendance at certain seminars and conferences; discussions with research analysts; meetings with corporate executives; consultants' advice on portfolio strategy; data services (including services providing market data, company financial data and economic data); advice from broker-dealers on order execution; and certain proxy services. Brokerage services within Section 28(e) may include, but are not limited to, services related to the execution, clearing and settlement of securities transactions and functions incidental thereto (i.e., connectivity services between an adviser and a broker-dealer and other relevant parties such as custodians); trading software operated by a broker-dealer to route orders; software that provides trade analytics and trading strategies; software used to transmit orders; clearance and settlement in connection with a trade; electronic communication of allocation instructions; routing settlement instructions; post trade matching of trade information; and services required by the SEC or a self-regulatory organization such as comparison services, electronic confirms or trade affirmations.

The use of client commissions (or markups or markdowns) to obtain research and brokerage products and services raises conflicts of interest. For example, the Adviser will not have to pay for the products and services itself. This creates an incentive for the Adviser to select or recommend a broker-dealer based on its interest in receiving those products and services.

The Adviser may cause clients to pay commissions (or markups or markdowns) higher than those charged by other broker-dealers in return for soft dollar benefits (known as paying-up), resulting in higher transaction costs for clients.

In determining whether to direct client brokerage transactions to particular broker-dealers, the Adviser's portfolio managers meet periodically to review and evaluate the soft dollar practices of the Adviser and to determine in good faith whether, with respect to any research or other products or services received from a broker-dealer, the commissions used to obtain those products and services were reasonable in relation to the value of the brokerage, research or other products or services provided by the broker-dealer.

### ***Client Referrals and Directed Brokerage***

The Adviser currently does not receive client referrals from broker-dealers, although it may do so in the future.

### ***Order Aggregation***

The Adviser may aggregate the securities to be purchased or sold for identical securities purchased or sold on behalf of multiple accounts in any one business day. In such events, allocation of the securities purchased or sold, as well as expenses incurred in the transaction, will be made among the accounts by applying such considerations as the Adviser deems appropriate, including relative account size of such clients, amount of available capital, size of existing positions in the same or similar securities, impact of leverage, tax considerations and other factors. Although such allocations may typically be pro rata as to a particular account, they will not necessarily be so where allocation considerations, such as availability of capital, positions in similar securities or differing objectives dictate a different result. No account will be entitled to investment priority over other accounts and may not necessarily participate in every investment opportunity. In general, the Adviser will endeavor to make all investment allocations in a manner that it considers to be the most equitable to all managed entities and clients. Adjustments or changes may be made under certain circumstances, such as to avoid odd lots or excessively small allocations. If the order at a particular broker is filled at several different prices, through multiple trades, generally all such participating accounts will receive the average price and pay the average commission, subject to odd lots, rounding, and market practice. To the extent an order is price-averaged, a client account participating in the trade may pay a higher price than if the Adviser did not aggregate the order. If an aggregated order is only partially filled, the Adviser's procedures provide that the securities or proceeds are to be allocated in a manner deemed fair to clients. Depending on the investment strategy pursued and the type of security, this may result in a pro rata allocation to all participating clients.

### **Item 13. Review of Accounts**

Each client account is reviewed by portfolio manager of the Adviser, on an ongoing basis to determine whether securities positions should be maintained and whether the portions of the Funds allocated to sub-advisers should be adjusted. Matters reviewed include the pursuit of investment objectives, the cash balances available and/or margin debit balances outstanding, diversification of the portfolio and security positions. Such reviews are performed by the Adviser's portfolio management team responsible for all client accounts, and reviews also may be triggered by economic and political events, specific company information, and/or market conditions.

A client's investors receive reports from the client pursuant to the terms of each client's offering memoranda or as otherwise described in the offering document of the client.

#### **Item 14. Client Referrals and Other Compensation**

The Adviser receives certain research or other products or services from broker-dealers through “soft-dollar” arrangements. These “soft-dollar” arrangements create an incentive for the Adviser to select or recommend broker-dealers based on the Adviser’s interest in receiving the research or other products or services and may result in the selection of a broker-dealer on the basis of considerations that are not limited to the lowest commission rates and may result in higher transaction costs than would otherwise be obtainable by the Adviser on behalf of its clients. Please see Item 12 for further information on the Adviser’s “soft-dollar” practices.

**Item 15. Custody**

The Adviser is deemed to have custody of certain client assets due to serving as the general partner to a Fund that is a limited partnership and intends to comply with Rule 206(4)-2 under the Advisers Act by meeting the conditions of the pooled vehicle annual audit provision with respect to such Fund. The assets of each Fund are held at third party brokerage firm or firms meeting the definition of “qualified custodians” under SEC Rule 206(4)-2.



## **Item 16. Investment Discretion**

The Adviser provides investment advisory services on a discretionary basis to clients. Please see Item 4 for a description of any limitations clients may place on the Adviser's discretionary authority. Under investment management agreements or other agreements with each client, the Adviser has the authority to determine, without obtaining specific client consent, the securities and financial instruments to be bought and sold, the amount and price of securities and financial instruments bought and sold, the preferred broker-dealers through which they effect trades, the sub-advisers to which it will delegate portfolio management, and the portion of each Fund that will be delegated to each such portfolio manager. Limitations may be imposed as a result of the requirement to comply with client investment guidelines and restrictions that are detailed in the investment management agreement.

### **Item 17. Voting Client Securities**

It is the Adviser's policy is to vote client proxies in the interest of maximizing shareholder value. The Adviser attempts to vote client proxies in a way that is consistent with its fiduciary duty and intended to cause securities to increase the most or decline the least in value. Consideration will be given to both the short and long term implications of the proposal to be voted on when considering the optimal vote. The Adviser may delegate the authority to vote proxies to a relevant sub-adviser.

If a material conflict of interest exists, the Adviser will determine whether voting in accordance with the guidelines set forth in its proxy voting policies and procedures is in the best interests of the client or whether the Adviser should take other appropriate action.

The Adviser's complete proxy voting policy and procedures are memorialized in writing and are available for client review. In addition, the Adviser's complete proxy voting record is available to clients, and only to clients, upon request.

**Item 18. Financial Information**

Disclosure under this Item is not required to be provided because the Adviser (i) does not require or solicit prepayment of fees of more than \$1,200 per client more than six months in advance, (ii) does not have a financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients, and (iii) has not been the subject of a bankruptcy petition at any time during the past 10 years.

**Item 19. Requirements for State-Registered Advisers**

This Item is not applicable.