

BLOOM TREE PARTNERS, LLC
PART 2A OF FORM ADV: FIRM BROCHURE

Bloom Tree Partners, LLC
101 Park Avenue, 48th Floor
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This brochure provides information about the qualifications and business practices of Bloom Tree Partners, LLC (“Bloom Tree” or the “Firm”). If you have any questions about the contents of this brochure, please contact Bloom Tree’s Chief Compliance Officer at (212) 716-2615 or nwadke@bloomtreepartners.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Any reference to Bloom Tree as a registered investment adviser does not imply a certain level of skill or training.

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

THIS BROCHURE DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY ANY SECURITY.

Item 2: Material Changes

Bloom Tree has not undergone any material changes since the last update to Part 2A of Form ADV made in March 2020 although certain information has been updated. We encourage clients, investors, and prospective clients and investors to review the entirety of this brochure.

Item 3: Table of Contents

	Page
ITEM 1: COVER PAGE.....	1
ITEM 2: MATERIAL CHANGES	2
ITEM 3: TABLE OF CONTENTS.....	3
ITEM 4: ADVISORY BUSINESS	4
ITEM 5: FEES AND COMPENSATION	5
ITEM 6: PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT....	6
ITEM 7: TYPES OF CLIENTS	7
ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS.....	7
ITEM 9: DISCIPLINARY INFORMATION.....	14
ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS...	14
ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING.....	15
ITEM 12: BROKERAGE PRACTICES.....	16
ITEM 13: REVIEW OF ACCOUNTS	20
ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION	20
ITEM 15: CUSTODY	20
ITEM 16: INVESTMENT DISCRETION	21
ITEM 17: VOTING CLIENT SECURITIES	21
ITEM 18: FINANCIAL INFORMATION	22

Item 4: Advisory Business

Bloom Tree Partners, LLC (“**Bloom Tree**” or the “**Firm**”), a Delaware limited liability company, was formed in February 2008. Alok Agrawal, Bloom Tree’s Chief Executive Officer, is the sole owner of the Firm.

Bloom Tree is an investment management firm that provides advisory services to high-net worth individuals and institutional clients through privately offered pooled investment vehicles through Bloom Tree affiliated funds (the “**Funds**”), and to a separately managed account (“**Separately Managed Account**”). Bloom Tree also provides subadvisory services to a pooled investment vehicle registered as a Segregated Portfolio Company (the “**SPC**”) under the provisions of the Cayman Islands Companies Law (as amended). Bloom Tree’s Funds are Bloom Tree Fund, LP, a Delaware limited partnership; Bloom Tree Fund QP, LP, a Delaware limited partnership, which together with Bloom Tree Offshore Fund, Ltd, a Cayman Islands exempted company are organized in a master-feeder structure. Bloom Tree Master Fund, Ltd. (“**Master Fund**”) is the master fund to Bloom Tree Fund QP, LP and Bloom Tree Offshore, Ltd. (the Funds, together with the SPC and any Separately Managed Accounts, collectively are referred to as “**Clients**”).

The Firm’s investment objective is to generate consistent absolute returns by finding long and short investment opportunities in the global economy. Bloom Tree invests (both on the long and short sides) in and trades securities, consisting principally, but not solely, of equity and equity-related securities. The Firm may also invest in preferred stocks, convertible securities, warrants, options (including covered and uncovered puts and calls and over-the-counter options) and other derivative instruments, bonds and other fixed income securities, foreign currencies, and money market instruments. Bloom Tree also engages in short selling, margin trading, hedging and other investment strategies. Certain Client accounts follow an identical or substantially similar strategy as Bloom Tree Fund LP and the Master Fund but target greater gross and net exposures relative to the Bloom Tree Fund LP and the Master Fund.

The Firm’s investment management and advisory services to the Funds are provided pursuant to the terms of the relevant offering memorandum and investors in the Funds cannot obtain services tailored to their individual specific needs.

Bloom Tree also provides investment and subadvisory services to a SPC and may advise other Separately Managed Accounts in the future. Such services are provided pursuant to the agreed upon investment guideline terms set forth in the investment management or subadvisory agreement. Unlike investors in the Funds, a Separately Managed Account and SPC clients may impose reasonable mandates, guidelines, or restrictions relating to investments. For example, Separately Managed Account and SPC clients may impose limits on concentration, risk, gross and net exposure, and liquidity that may be different from those in the Funds. A Separately Managed Account and SPC Clients directly own the positions in its separately managed account or SPC, therefore, these Clients will typically have full, real-time transparency to all transactions and holdings in such account, and may be better able to assess the future prospects of a portfolio that is substantially similar to the portfolios of the other Bloom Tree private funds. The account owner in a separately managed account and the adviser to the SPC typically has the right to withdraw all or a portion of their capital from such managed account or SPC on shorter notice and/or with more frequency than the terms applicable to an investment in the Funds. Bloom Tree may advise other Separately Managed Accounts or SPCs in the future.

As of December 31, 2020, Bloom Tree manages approximately \$1,781,097,232 in regulatory assets under management on a discretionary basis. Bloom Tree does not manage any advisory client assets on a non-discretionary basis.

Item 5: Fees and Compensation

Bloom Tree will generally receive a management fee in between .50% to 1.5% per annum paid monthly or quarterly in advance as of the first business day of each calendar quarter based on the value of each underlying investor's account or Client's portfolio value, typically adjusted during the quarter for any contributions or withdrawals. Management fees may be waived at the discretion of Bloom Tree and the general partner or board of directors of the Funds. Bloom Tree's fee schedules for acting as investment adviser vary depending on the type of account under management. In the case of a Separately Managed Account or SPC, fees and expenses are defined and detailed in the investment management or subadvisory agreement, respectively, and are subject to negotiation. The fees charged to any given Client may be higher than fees charged to other Clients for advisory services to accounts of comparable size and investment objectives.

Bloom Tree will deduct management fees and performance allocations from the Funds' accounts pursuant to authorization through the Administrator.

Separately Managed Accounts and SPCs have the option to pay Bloom Tree by receipt of an invoice or to authorize fees to be paid to Bloom Tree by direct debit for management fee and performance fees. Separately Managed Accounts and SPCs are billed monthly or quarterly in arrears or quarterly in advance. If a Separately Managed Account terminates the investment management agreement the Firm will invoice or credit the client for an amount that is pro-rated based on the number of days that the account was managed by Bloom Tree. Terminations of subadvisory agreements including SPCs are handled pursuant to the terms of the corresponding subadvisory agreement. Clients may also elect to have their fees calculated based upon the market values calculated by their custodian or by Bloom Tree. Performance-based fees for Separately Managed Accounts, if earned, are payable after the calculation period for such fees.

Bloom Tree is responsible for and pays or causes to be paid overhead expenses including the following: office rent; furniture and fixtures; stationery; secretarial/internal administrative services; salaries; travel expense; entertainment expenses; employee insurance and payroll taxes. All other expenses are paid by the Funds and include: the Management Fee; Partnership legal, compliance (including but not limited to Section 13, Section 16, short and long exposure and/or ownership filings with U.S. and foreign regulators, AIFMD Annex IV, the AIFMD annual report, and Form PF filings), administrator (if applicable), audit and accounting expenses (including third party accounting services); organizational expenses; investment expenses such as commissions, research fees and expenses related to actual and potential investments; interest on margin accounts and other indebtedness; borrowing charges on securities sold short; custodial fees; bank service fees; Funds' related insurance costs; Directors' fees and expenses; proxy voting service fees; and any other expenses related to the purchase, sale or transmittal of Funds assets. Clients may also incur certain charges imposed by custodians, prime brokers, and other third parties such as fees charged for custodial and prime brokerage fees, wire transfer and electronic fund fees, and other fees on transactions. Such charges, fees and commissions are exclusive of and in addition to Bloom Tree's fee, and Bloom Tree shall not receive any portion of these commissions, fees, and costs. Expenses attributable to a specific series will only be borne by such series. Detailed information regarding the fees charged to the Funds is provided in each Fund's Confidential Private Placement Memorandum or other applicable governing documents. Also, investors in our private fund clients who are associated with our firm, such as our officers or employees, or their family members or friends, generally do not pay management fees or incur performance fees though they do pay their pro rata share of our private fund clients' operating costs. To the extent that a Fund, SPC, or Separately Managed Account is invested in an exchange-traded fund or

mutual fund, the Fund, SPC, or Separately Managed Account will bear, along with other shareholders, its pro rata portion of the exchange-traded fund's or mutual fund's management, trading, and administrative fees and expenses. Separately Managed Accounts and SPCs typically incur all expenses in connection with the transactions effected for their account including without limitation custodial fees, brokerage and commissions, withholding or transfer taxes, interest on margin accounts and other indebtedness, and borrowing charges on securities sold short.

The organizational expenses of the Funds (including expenses of the initial offer and sale of limited partnership interests) are paid by the Funds and are, for net asset value purposes, being amortized over a period of up to 60 months from the date the Fund commenced operations.

Expenses shared by each of the Clients are allocated pro rata based on the account value of each of the respective Clients. If a Fund and one or more other Funds, or other Clients of Bloom Tree may be responsible for some or all of a particular cost, Bloom Tree may allocate the cost among all those entities, Clients, and Funds in its discretion in a fair and equitable manner. Expenses allocated to Clients including Separately Managed Accounts and SPCs may be negotiated individually. At its discretion or pursuant to the terms of an investment advisory agreement or private fund governing documents, Bloom Tree may pay expenses that would otherwise be allocated to a Client. Clients that do not pay a portion of these expenses may benefit from services paid for by other Clients or Bloom Tree.

Each Fund pays to Bloom Tree a quarterly management fee in advance. We generally do not permit investors in our Funds to withdraw capital other than at the end of a quarter, so refunds of prepaid fees for partial quarters are not applicable to investors in our Funds. Withdrawals of capital from a Fund may also be subject to a redemption fee, payable to the affected private fund, for redemptions made in less than the term the investor agreed to, as described in the relevant offering documents.

Bloom Tree or an affiliate from time to time enters into agreements with certain Fund investors or Clients ("side letters") that may provide for terms of investment that are more favorable than the terms described in the applicable Fund Governing Document or those available to other Clients. Such terms may include, among other things, capacity rights, liquidity rights, the waiver, reduction, or rebate of management fees, Fund expenses, and/or performance fees; the provision of additional information or reports; more favorable transfer rights; or most-favored nation status. When an investor in a Fund or a Client is granted different or additional terms as describe above, such terms (i) will be more favorable than the comparable terms (if any) described in Fund Governing Documents or investment management or subadvisory agreements, (ii) need not be offered to any other investor in the Funds or Clients and (iii) need not be communicated to other fund investors or Clients. In the event of a conflict between a side letter and the relevant Fund's other agreements and/or Client governing documents, the terms of the side letter with the investor or Client shall control with respect to that investor or Client.

Bloom Tree or its supervised persons do not receive compensation attributable to the sale of securities or other investment products, and mutual funds.

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

Bloom Tree will receive an annual performance fee between 10% - 30% of the net profits, if any, or as a percentage of outperformance relative to a hurdle rate (including realized and unrealized gains), attributable to each investor's capital account or certain Separately Managed Account and SPC client's account value, subject to a loss carry-forward provision and adjusted for deposits and withdrawals. Some Separately Managed Accounts or Clients may not pay a performance fee which creates an incentive for Bloom Tree to favor performance fee paying clients when allocating investment opportunities. The performance fee also

creates an incentive for Bloom Tree to make more speculative investments than would otherwise be made, or make decisions regarding the timing and manner of realization of investments differently than if such performance fees were not received. In addition, the performance based fee received by Bloom Tree is based primarily on realized and unrealized gains and losses so we may have an incentive to increase the value of client assets through fair valuation determinations. The performance based fee earned could also be based on unrealized gains that clients may never realize. A portion of Bloom Tree investment analyst's compensation is also based on the performance of the Fund(s). This compensation structure may create incentives to engage in more speculative activities than would be the case if their compensation were not performance-based, particularly in any period after losses have been suffered. This compensation structure could also create an incentive for an analyst to recommend investments with significant risks, in excess of levels that a Client would find acceptable, in seeking to obtain profits. Bloom Tree has determined this compensation structure aligns investment analyst compensation and incentives appropriately with Client's investment objectives and also monitors investment risk in an effort to identify risk that may not align with Client mandates. Despite the presence of these conflicts of interest, we seek to act fairly when we are allocating investment opportunities, conducting investment research, and valuing client assets. Bloom Tree has adopted written policies and procedures that are designed to ensure fair allocations and valuations over time. For example, except for "new issues," investment opportunities are typically allocated to each Client in accordance with the ratio of their respective capital account balances.

Item 7: Types of Clients

Bloom Tree may provide discretionary investment management services to high-net worth individuals, family offices, endowments, government entities, and institutional investors through privately offered pooled investment vehicles. Bloom Tree may also provide discretionary investment management services to family offices and endowments as separately managed accounts. Generally the separately managed accounts must have a minimum account opening size of \$100 million or the same minimum amount invested with Bloom Tree in aggregate; however Bloom Tree reserves the rights to waive the minimum account size at its own discretion.

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

Bloom Tree's goal is to compound capital at an above average rate of return with relatively lower volatility. The Firm's investment philosophy is to utilize extensive bottom up and primary research to develop thoughtful views on specific companies, industrial sectors, and the macroeconomic environment in general to identify undervalued companies for the long portfolio and overvalued companies for the short portfolio. Investments are made globally. Positions are sized in the portfolio based on each position's risk / reward ratio, conviction, inherent risk and liquidity of underlying shares. Portfolios may be hedged at the overall portfolio level as well as at individual position level, as appropriate.

Bloom Tree invests across various geographic regions. In an increasingly interdependent world economy, a global focus allows the Firm to identify investment trends early and optimize performance by investing in markets and specific investment opportunities that offer the most attractive risk / return.

Stock Selection

Long Holdings: The Firm's long holdings focus on high-quality businesses with High Return On Investment Capital (ROIC) and management teams that have demonstrated the ability to allocate capital efficiently. The focus is on finding undervalued securities through extensive fundamental research that offer sufficient margin of safety. Some long situations in which the Firm invests include the following:

- *Spin-offs and IPOs.* Companies in their early stages of independent existence are often under researched and misunderstood and offer an opportunity for outsized returns.
- *Global business models.* Business models that have worked in one part of the world but are early in other parts of the world.
- *Restructuring situations.* Companies in good industries with poor operating performance, but with a credible new management in place which can turn the business around.
- *Overreaction to short-term challenges.* Liquidity driven sell-offs or sell-offs due to one off events that will not have an impact on the franchise value of a business.
- *Short Holdings.* Short holdings focus on businesses with deteriorating fundamentals, concept stocks with misperceptions about the market opportunity and competitive position and companies that use aggressive accounting to boost earnings. Some short situations in which the Firm invests includes the following:
 - *Business with declining earnings power due to structural issues.* Companies with poor balance sheets and declining earnings resulting from shrinking market and/or change in competitive landscape due to emergence of new players and substitutes.
 - *Concept stocks.* Companies where there is a misperception about the size of market opportunity addressed by a company.
 - *Aggressive accounting and fraud.* Companies with fraudulent or misleading business practices and/or aggressive accounting.

A Bloom Tree Client portfolio may be deemed to be a highly speculative investment and is not intended as a complete investment program. It is designed only for sophisticated persons who are able to bear the economic risk of the loss of their entire investment and who have a limited need for liquidity in their investment.

The following risks should be carefully evaluated before making an investment with Bloom Tree:

Nature of Investments. The Firm has broad discretion in making investments and 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 Bloom Tree 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 Firm's activities and the value of its investments. In addition, the value of a portfolio may fluctuate as the general level of interest rates fluctuates. No guarantee or representation is made that the Firm's investment objective will be achieved.

Equity-Related Instruments in General. The Firm may use equity-related instruments in its investment program. Certain options and other equity-related instruments may be subject to various types of risks, including market risk, liquidity risk, counterparty credit risk, legal risk and operations risk. In addition, equity-related instruments can involve significant economic leverage and may, in some cases, involve significant risks of loss.

Use of Leverage. The Firm may utilize leverage. This results in Bloom Tree controlling substantially more assets than it has equity for. Leverage increases the Firm's returns if the Firm earns a greater return on investments purchased with borrowed funds than the Firm's cost of borrowing such funds. However, the

use of leverage exposes Bloom Tree to additional levels of risk, including (i) greater losses from investments than would otherwise have been the case had not borrowed to make the investments, (ii) margin calls or interim margin requirements which may force premature liquidations of investment positions and (iii) losses on investments where the investment fails to earn a return that equals or exceeds the Firm's cost of borrowing such funds. In the event of a sudden, precipitous drop in value of Bloom Tree's assets, the Firm might not be able to liquidate assets quickly enough to repay its borrowings, further magnifying its losses.

Small to Medium Capitalization Companies. The Firm may invest a portion of its assets in the stocks of companies with small-to-medium sized market capitalizations. While Bloom Tree believes these investments often provide significant potential for appreciation, those 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.

Special Purpose Acquisition Companies. A special purpose acquisition company (a "SPAC") is a publicly traded company formed for the purpose of raising capital through an initial public offering to fund the acquisition, through a merger, capital stock exchange, asset acquisition or other similar business combination, of one or more undervalued operating businesses. Following the acquisition of a target company, a SPAC typically would exercise control over the management of such target company in an effort to increase the value of such target company. Capital raised through the initial public offering of securities of a SPAC is typically placed into a trust until the target company is acquired or a predetermined period of time elapses. Investors in a SPAC would receive a return on their investment in the event that a target company is acquired and such target company's value increased. In the event that a SPAC is unable to locate and acquire target companies by the deadline, the SPAC would be forced to liquidate its assets, which may result in losses due to the expenses and liabilities of the SPAC. Investors in a SPAC are subject to the risk that, among other things, (i) such SPAC may not be able to locate or acquire target companies by the deadline, (ii) assets in the trust may be subject to third-party claims against such SPAC, which may reduce the per share liquidation price received by the investors in the SPAC, (iii) such SPAC may be exempt from the rules promulgated by the SEC to protect investors in "blank check" companies, such as Rule 419 promulgated under the Securities Act, so that investors in such SPAC may not be afforded the benefits or protections of those rules, (iv) such SPAC may only be able to complete one business combination, which may cause it to be solely dependent on a single business, (v) the value of any target company may decrease following its acquisition by such SPAC, (vi) the value of the funds invested and held in the trust decline, (vii) the inability to redeem due to the failure to hold the securities in the SPAC on the record date or the failure to vote against the acquisition and (viii) if the SPAC is unable to consummate a business combination, public stockholders will be forced to wait until the deadline before liquidating distributions are made. In addition, most SPACs are illiquid and have a concentrated shareholder base that tends to be comprised of hedge funds (at least at inception). Bloom Tree may cause clients to invest in a SPAC that, at the time of investment, has not selected or approached any prospective target businesses with respect to a business combination. In such circumstances, there may be limited basis for Bloom Tree to evaluate the possible merits or risks of such SPAC's investment in any particular target business. To the extent that a SPAC completes a business combination, it may be affected by numerous risks inherent in the business operations of the acquired company or companies. For these and additional reasons, investments in SPACs are speculative and involve a high degree of risk.

Non-U.S. Securities. Investing in securities of non-U.S. governments and companies that 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, foreign government restrictions, 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.

Special Situations. The Firm may invest in companies involved in (or the target of) acquisition attempts or tender offers or in companies involved in or undergoing work-outs, liquidations, spin-offs, reorganizations, bankruptcies or other catalytic changes or 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, will take considerable time or will result in a distribution of cash or a new security the value of which will be less than the purchase price to the Firm 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, Bloom Tree 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 Firm may invest, there is a potential risk of loss by the Firm of its entire investment in such companies.

Convergence Risk. Bloom Tree may pursue relative value strategies by taking long positions in securities believed to be undervalued and short positions in securities believed to be overvalued. In the event that the perceived mispricings underlying the Firm's trading positions were to fail to converge toward, or were to diverge further from, Bloom Tree's expectations, the portfolio may incur a loss.

Currency Risk. Investments that are denominated in a foreign currency 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. The Firm will attempt to hedge such risks.

Interest Rate Risk. Generally, the value of fixed income securities will change inversely with changes in interest rates. As interest rates rise, the market value of fixed income securities tends to decrease. Conversely, as interest rates fall, the market value of fixed income securities tends to increase. This risk will be greater for long-term securities than for short-term securities. The Firm may attempt to minimize the exposure of the portfolios to interest rate changes through the use of interest rate swaps, interest rate futures and/or interest rate options. However, there can be no guarantee that Bloom Tree will be successful in fully mitigating the impact of interest rate changes.

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. 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. To the extent that the Firm invests in swaps, derivative or synthetic instruments, repurchase agreements or other over-the-counter transactions or, in certain circumstances, non-U.S. securities, the Firm may take a credit risk with regard to parties with whom it trades and may also bear the risk of settlement default. These risks may differ materially from those entailed in exchange traded transactions that generally are backed by clearing organization guarantees, 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. It is expected that all securities and other assets deposited with custodians or brokers will be clearly identified as being assets (directly or indirectly) and

should not be exposed to a credit risk with regard to such parties. However, it may not always be possible to achieve this segregation, and there may be practical or time problems associated with enforcing rights to its assets in the case of an insolvency of any such party.

Short Sales. Short sales can, in certain circumstances, substantially increase the impact of adverse price movements in the portfolio. A short sale involves the risk of a theoretically unlimited increase in the market price of the particular investment sold short, which could result in an inability to cover the short position and a theoretically unlimited loss. There can be no assurance that securities necessary to cover a short position will be available for purchase. In addition, positions that are economically similar to short sales may be established through derivatives trading. In many jurisdictions, a party is required to borrow or locate shares before selling short securities. From time to time, shares will be unavailable for borrowing (including as a result of the Firm's activities on behalf of other Clients), and consequently, the Firm will be unable to carry out intended trades on behalf of the Clients. There is also a risk that the securities borrowed in connection with a short sale will be required to be returned to the lender of such securities on short notice. If a request for the return of borrowed securities occurs at a time when other short sellers of the securities are receiving similar requests, a "short squeeze" can occur, and Clients may be forced to replace borrowed securities previously sold short by purchasing the relevant securities on the open market at a disadvantageous time, possibly at prices significantly in excess of the proceeds received from originally selling the securities short. As more and more short sellers purchase back the relevant securities, the price of such securities will continue to increase, to the detriment of those market participants (including, potentially, the Funds and Clients) with open short positions. Where the Firm is able to effect a short sale on behalf of Clients, the Client's face the risk of a theoretically unlimited loss, in that the price of the underlying security could theoretically increase without limit, exposing the short seller to the theoretically unlimited cost of buying those securities to cover the short position. There can be no assurance that the security necessary to cover a short position will be available for purchase (including as a result of a "short squeeze," as described above). Purchasing securities to close out the short position can itself cause the price of the securities to rise further, thereby exacerbating the loss. Similarly, a short position established synthetically through a derivative could also result in a substantial loss if the value of the underlying asset or index actually increases rather than decreases. Securities may be sold short (either physically or synthetically) by the Clients to hedge a long position, to enable a Client to express a speculative view as to the relative value between the long and short positions, or to speculate that the securities are over-valued. There is no assurance that the objectives of these strategies will be achieved or, specifically, that the long position in a particular strategy will not decrease in value and the securities underlying an actual or synthetic short position in the strategy will not increase in value, causing the Clients to incur losses on both components of the transaction, or that the securities underlying an outright short position will not increase in value. In recent history, many jurisdictions have imposed restrictions and reporting requirements on short selling. For example, in 2008, the SEC suspended short selling in the securities of over 900 public companies (including issuers in the financial services industry) and in 2010, the SEC adopted a short sale price test rule, which limited short selling an issuer's securities following a 10% decline in its trading price. These restrictions and reporting requirements, and any restrictions and reporting requirements enacted in the future, may change the manner in which the Firm invests and may prevent Bloom Tree from successfully implementing its investment strategies and achieving its investment objective. In addition, reporting requirements relating to short selling may provide transparency to the Firm's competitors as to its short positions, which may have a detrimental impact on Client returns. If a Client's short positions or its strategy become generally known it could have a significant impact on Bloom Tree's ability to implement its investment strategy. In particular, it would make it more likely that other investors could cause a "short squeeze," as described above, in the securities sold short by the Firm. In addition, reporting requirements relating to short selling may provide transparency to competitors as to its short positions, which may have a detrimental impact on the Client's returns. If a client's short positions or its strategy become generally known it could have a significant impact on Bloom Tree's ability to implement its investment strategy. In particular, it would make it more likely that other investors could cause a "short squeeze," as described above, in the securities sold short by the Firm.

Lack of Diversification. A Client's portfolio may not be widely diversified among sectors, industries, geographic areas or types of securities. Further, a Client portfolio may not necessarily be diversified among a wide range of issuers. Accordingly, a Client portfolio may be subject to more rapid change in value than would be the case if the Client were required to maintain a wide diversification among companies or industry groups.

Business, Terrorism and Catastrophe Risks. Clients will be subject to the risk of loss arising from exposure that it may incur, indirectly, due to the occurrence of various events, including hurricanes, earthquakes, and other natural disasters, terrorism and other catastrophic events such as a pandemic. These catastrophic risks of loss can be substantial and could have a material adverse effect on Bloom Tree's business and Clients' portfolios including investments made by Bloom Tree. In addition, in response to the spread of COVID-19, many businesses, including Bloom Tree, have encouraged or mandated that their personnel work from home in an effort to help slow the spread of the coronavirus pandemic. Notwithstanding such precautionary measures, Bloom Tree may still experience a significant increase in illness of their respective personnel. Work-at-home arrangements could also lead to employee fatigue, reduced collaboration and less optimal communication and supervision relative to traditional office structures which could severely impair our and/or such service providers' operational capabilities, potentially having a detrimental impact on our business and operations. To the extent personnel, as a result of working remotely, rely more heavily on external sources for information and technology systems for their business-related communications and information sharing, that business will likely be more vulnerable to cybersecurity incidents and cyberattacks and could have more difficulty resuming normal operations in the event it is the target of such incident or attack.

Alternative Data. Bloom Tree expects to obtain and use alternative data in its investment process. Alternative data may consist of datasets that have been culled from a variety of sources, such as internet usage, payment records, financial transactions, weather and other physical phenomena sensors, applications and devices (such as smartphones) that generate location and mobility data, data gathered by satellites, and government and other public records databases (this data is sometimes referred to as "big data" or "alternative data"). Bloom Tree intends to apply this alternative data to better anticipate micro- and macro-economic trends and otherwise to develop or improve trading or investment themes. The analysis and interpretation of alternative data involves a high degree of uncertainty and may entail significant expense, including technological efforts, that are expected to be borne—in whole or in part— by the Clients. No assurance can be given that Bloom Tree will be successful in utilizing alternative data in its investment process. Moreover, there has been increased scrutiny from a variety of regulators regarding the use of alternative data in this manner, and its use or misuse under current or future laws and regulations could create liability for Bloom Tree and Clients in numerous jurisdictions. Bloom Tree cannot predict what, if any, regulatory or other actions may be asserted with regard to alternative data, but any adverse inquiries or formal actions could cause reputational, financial, or other harm to Bloom Tree or to Clients. Conversely, any future limitations on the use of alternative data could have a material adverse impact on the performance of Client portfolios.

Brexit. The United Kingdom formally left the European Union on January 31, 2020. The ongoing transition period could cause an extended period of uncertainty and market volatility, not just in the United Kingdom but throughout the European Union, the European Economic Area and globally. It is not possible to ascertain the precise impact these events may have on Clients or Bloom Tree from an economic, financial or regulatory perspective but any such impact could have material consequences for Clients.

Discontinuation of LIBOR. It is expected that the London Interbank Offered Rate ("LIBOR"), which is commonly used as a reference rate within various financial contracts (any such rate, a "Reference Rate"), will not be published after the year 2021. In anticipation of the end of LIBOR, the United States and other countries are currently working to replace LIBOR with alternative Reference Rates. As a general matter, the expected discontinuation of LIBOR may significantly impact financial markets; specifically, discontinuation may impact financial contracts to which Bloom Tree or a Client is a party. Generally, the

transition to alternative Reference Rates may (i) cause the value of a Reference Rate to be uncertain or to be lower or more volatile than it would otherwise be; (ii) result in uncertainty as to the functioning, liquidity or value of certain financial contracts; (iii) involve actions of regulators or rate administrators that adversely affect certain markets or specific financial contracts; and (iv) impact the strategy, products, processes, legal positions and information systems of market participants, including a Bloom Tree or a Client and its counterparties. With respect to financial contracts to which Bloom Tree or a Client is a party, including corporate and municipal bonds and loans, consumer loans, bank loans, floating rate debt, certain asset-backed securities, and interest rate swaps and other derivatives, any such contract that has a maturity that extends beyond 2021 and uses LIBOR as a Reference Rate (other than contracts that include curative fallback language or other curative mechanisms) may need to be renegotiated, the process of which will consume resources of a Bloom Tree and may result in disputes among counterparties, the result of which may be adverse to Bloom Tree or a Client(s). Considered in their entirety, the impacts of the discontinuation of LIBOR on financial markets generally and on the specific financial contracts to which Bloom Tree or a Client is a party may adversely affect the performance of a client portfolio.

Privacy and Data Protections Laws. Bloom Tree, the affiliated General Partners (as defined below) and/or Clients may be directly or indirectly subject to the requirements of the General Data Protection Regulation (Regulation (EU) 2016/679) (“GDPR”), which created a range of new compliance obligations regarding the handling of personal data, and increases financial penalties for noncompliance significantly. Bloom Tree and the General Partners intend to comply with any obligations arising out of the GDPR, but may not be able to accurately anticipate the way in which regulators and courts will apply or interpret the GDPR, including its applicability to Bloom Tree, the General Partners and/or Clients. If the GDPR is interpreted or applied in a manner inconsistent with Bloom Tree’s policies and practices that are designed to ensure any required GDPR compliance, Bloom Tree or the General Partners may be fined or ordered to change their business practices in a manner that adversely impacts Clients. Bloom Tree, the General Partners and/or Clients are also subject to data protection laws passed by many states and by localities that require enhanced levels of cybersecurity and notification to users and/or regulators when there is a security breach for personal data. Compliance with these regulations, including the obligation to timely notify stakeholders in the event of a cybersecurity incident, may divert Bloom Tree’s time and effort and entail substantial expense. Any failure by Bloom Tree or the General Partners to comply with these laws and regulations could result in negative publicity and may subject Clients to significant costs associated with litigation, settlements, regulatory action, judgments, liabilities and other penalties, for which Bloom Tree and Clients may not have insurance coverage.

Cybersecurity Risk. Investment advisers, including Bloom Tree, must rely in part on digital and network technologies (“cyber networks”) to maintain substantial computerized data about activities for client accounts and otherwise conduct their businesses. Similarly, service providers of Bloom Tree and its clients, especially the administrator of a client, may process, store and transmit such information. Such cyber networks might in some circumstances be subject to a variety of possible cybersecurity incidents or similar events that could potentially result in the inadvertent disclosure of confidential computerized data or client data to unintended parties, or the intentional misappropriation or destruction of data by malicious hackers seeking to compromise sensitive information, corrupt data, or cause operational disruption. Cyber-attacks might potentially be carried out by persons using techniques that could range from efforts to electronically circumvent network security or overwhelm websites to intelligence gathering and social engineering functions aimed at obtaining information necessary to gain access. Bloom Tree maintains policies and procedures on information technology security, it has certain technical and physical safeguards intended to protect the confidentiality of its internal data, and takes other reasonable precautions to limit the potential for cybersecurity incidents, and to protect data from inadvertent disclosure or wrongful misappropriation or destruction. Nevertheless, despite reasonable precautions, the risk remains that cybersecurity incidents could potentially occur, and such incidents, in some circumstances, might result in unauthorized access to sensitive information about Bloom Tree or its clients or their investors, and/or cause damage to client accounts or Bloom Tree’s activities for clients or their investors. The loss or improper access, use or disclosure of Bloom Tree’s or the clients’ proprietary information may cause Bloom Tree or the clients to

suffer, among other things, financial loss, the disruption of its business, liability to third parties, regulatory intervention or reputational damage. The service providers of Bloom Tree and the clients or investors are subject to the same or similar electronic information security threats as Bloom Tree. If a service provider fails to adopt or adhere to adequate data security policies, or in the event of a breach of its networks, information relating to the transactions of the clients and personally identifiable information of the investors may be lost or improperly accessed, used or disclosed. Any of the foregoing events could have a material adverse effect on the clients and the investors' investments therein. Bloom Tree will seek to notify affected clients and investors of any known cybersecurity incident that may pose a substantial risk of exposing confidential personal data about such clients or investors to unintended parties.

There can be no assurance that Clients will achieve their investment objectives. Investing in securities and commodity interests involves risk of loss that Clients and Fund investors should be prepared to bear.

The risk factors above do not purport to be a complete enumeration or explanation of the risks involved in an investment in Bloom Tree's investment strategy. Please refer to each Fund's governing or offering documents for a more detailed description of such risks.

Item 9: Disciplinary Information

Bloom Tree and its employees have not been involved in any legal or disciplinary events in the past 10 years that would be material to an evaluation of the Firm or its employees.

Item 10: Other Financial Industry Activities and Affiliations

Bloom Tree (GP), LLC serves as the general partner to the Bloom Tree Fund, LP and Bloom Tree Fund QP, LP. Bloom Tree Ponderosa (GP), LLC serves as the general partner to Bloom Tree Ponderosa Fund QP, LP, and Bloom Tree Ponderosa Fund, LP. Bloom Tree (GP), LLC and Bloom Tree Ponderosa (GP), LLC are affiliated with Bloom Tree by common ownership.

Bloom Tree (GP), LLC (the "General Partner") has entered into a contract with another investment adviser, Tiger Management L.L.C. ("TMLLC"), pursuant to which TMLLC will have a financial interest in the fees earned by the General Partner. TMLLC does not have any equity stake in the General Partner or Bloom Tree and will have no management obligations pertaining to the Fund's portfolio, although TMLLC consults with Bloom Tree from time to time regarding investment strategies. Similar meetings with other fund investors and Clients are available on request. Bloom Tree also sub-leases office space from TMLLC or an affiliate.

Bloom Tree also shares community office space (e.g., kitchen and conference rooms) with other investment advisers, including TMLLC. Bloom Tree has established policies and procedures with respect to sharing community office space designed to protect the interests of Bloom Tree and Clients.

In addition, Bloom Tree and affiliates (and their families) may, directly or through investments in other investment funds or otherwise, have personal or other interests in the securities in which a Client invests as well as interests in investments in which a Client does not invest. Bloom Tree and affiliates (and their families) also have personal or business relationships with brokers, service providers, Fund investors,

corporate management, directors or other parties with whom the Firm or the Clients themselves have relationships. As a result, the Firm may have conflicts of interest in allocating their time and activity between the Clients and other entities, in allocating investments among the Clients and other entities, and in effecting transactions, evaluating investments or potential investments, or retaining or evaluating services for the Fund and other entities, including ones in which the Bloom Tree (and their families) may be employed or have a greater financial interest. Although Bloom Tree will seek to limit any such conflicts and will act in a manner that is in accordance with their fiduciary duties to the Clients, these potential conflicts of interest may have an impact on an employee's ability to perform his responsibilities on behalf of a Client.

Bloom Tree and its affiliates may also provide certain information to Clients, investors or prospective Clients or investors in response to questions, requests, portfolio reviews, and/or in connection with due diligence or portfolio monitoring meetings or other communications. Such information will generally not be distributed to other Clients, investors and prospective investors who do not request such information. Each investor, Client, or prospective Client or investor is responsible for asking such questions or requesting information as it believes is necessary in order to make its own initial and ongoing investment decisions and must decide for itself whether the limited information typically provided by Bloom Tree is adequate for its investment evaluation.

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

Bloom Tree has adopted a Code of Ethics pursuant to Rule 204A-1 under the Investment Advisers Act of 1940, as amended (the “Advisers Act”), which is predicated on the principle that Bloom Tree owes a fiduciary duty to the Funds. Accordingly, employees of Bloom Tree must disclose or avoid activities, interests, and relationships that run contrary (or appear to run contrary) to the best interest of the Funds.

Employees of Bloom Tree may only purchase and sell securities in accordance with the Firm’s Code of Ethics to which all employees are subject. This policy is monitored by the Chief Compliance Officer.

Employees are permitted to maintain personal brokerage accounts, subject to the Code of Ethics and personal trading policy.

The Code of Ethics includes the following points:

- A statement of the standard of business conduct.
- Limits on gifts and entertainment.
- Limits on political contributions.
- Limits and restrictions on personal trading of Employees designed to minimize potential conflicts of interest.
- Employees must acknowledge in writing having received and read a copy of the Code of Ethics.
- Any exceptions to the above need prior approval of the Chief Compliance Officer.

A copy of the Firm’s Code of Ethics is available to investors, clients, prospective investors, and prospective clients upon request.

Bloom Tree, its employees or a related entity typically have an investment in the Funds. As a result, Related Persons have an interest in an investment that Bloom Tree or affiliates will also recommend to Clients, prospective clients, or Fund investors. In addition, under certain circumstances, employees may hold personal investments in the same portfolio securities that our Clients hold. These personal investments

could be in the same security or in different parts or issues of the same issuer's capital structure. Bloom Tree, as a fiduciary, endeavors to always make decisions in the best interest of the Clients if a conflict of interest arises. In order to prevent conflicts of interest employees generally may only liquidate current positions, are generally restricted from purchasing or selling short additional securities in personal accounts so as not to conflict with any of the Firm's Advisory Client accounts, and must seek pre-approval for certain transactions. Bloom Tree and our officers and employees are also strictly prohibited from engaging in insider trading. Under certain circumstances, we may determine that Bloom Tree, or one of our employees, have obtained, or may have obtained, material non-public information. Bloom Tree maintains a "restricted list" that is designed to prevent our clients, officers, and employees from engaging in insider trading. Our firm's use of a restricted list and caution in connection with potential exposure to material non-public information may limit clients' investment opportunities.

Section 206(3) of the Advisers Act makes it unlawful for any investment adviser, directly or indirectly, acting as principal for its own account, knowingly to sell any security to or purchase any security from a Client without disclosing to the Client in writing the capacity in which the adviser is acting and obtaining the Client's consent to the transaction. The SEC has indicated that when an investment adviser and/or its controlling persons own more than 25% of a fund's outstanding securities, a trade with another Client account or fund should be treated as a principal transaction. Bloom Tree does not anticipate engaging in principal transactions with Clients. However, Bloom Tree has adopted specific policies and procedures for monitoring the level of proprietary ownership in each Fund. Should Bloom Tree decide to engage in a principal transaction with a Client, Bloom Tree will affect the transaction in compliance with Section 206(3) of the Advisers Act.

Item 12: Brokerage Practices

Bloom Tree has complete discretion in deciding which securities are bought and sold, the amount and price of those securities, the broker-dealers or counterparties to be used for a particular transaction, and commissions or markups and markdowns paid. Bloom Tree will allocate transactions to broker-dealers for execution on markets/exchanges and at prices and commission rates that, in the Firm's good faith judgment, are in the best interest of its clients. Bloom Tree takes into consideration primarily available prices, brokerage commission rates, the quality, comprehensiveness and frequency of available research services considered to be of value, and other relevant factors including, but not limited to, execution, clearance, and settlement and error correction capabilities of the broker or dealer generally and in connection with securities of the type and in the amounts to be bought or sold; the broker's or dealer's willingness to commit capital; reliability and financial stability; the size of the transaction; availability of securities to borrow for short sales; and the market for the security. Neither Bloom Tree nor any affiliates receive any commissions generated by a Fund's or Client trading activities. Bloom Tree may benefit indirectly from payments made by a Fund or Client (including payments by way of soft dollars) as described below. Accordingly, the commission rates (or dealer markups and markdowns) charged to the Funds or Clients by brokers or dealers in these circumstances may be higher than those charged by other brokers or dealers who may not offer such services. Bloom Tree need not solicit competitive bids and does not have an obligation to seek the lowest available commission cost or spread. Bloom Tree maintains policies and procedures to review the quality of executions, including periodic reviews by its trading and investment professionals.

Section 28(e) of the Securities Exchange Act of 1934 as amended provides a "safe harbor" to investment managers who use soft dollars generated by their advised accounts to obtain investment research and brokerage services that provide lawful and appropriate assistance to the investment manager in the performance of investment decision making responsibilities. It is Bloom Tree's policy to use commission dollars generated by client trades to pay for research and brokerage services that provide lawful and

appropriate assistance to Bloom Tree in carrying out its investment decision-making responsibilities, as permitted under the safe harbor of Section 28(e) of the Securities and Exchange Act of 1934, as amended. In such instances or when best execution may be obtained from more than one broker, Bloom Tree may purchase and sell securities through brokers who provide research, statistical, and other information, although not all of the Funds or Clients may in every instance be the direct beneficiaries of any research services provided. Since research services are often bundled and Clients have different investment objectives, a Client that does or does not pay a portion of research or brokerage expenses directly or through soft dollars will not always benefit proportionally from services paid or not paid for by the Client or Bloom Tree. Research and brokerage services obtained by the use of commissions arising from multiple Client portfolio transactions may be used by Bloom Tree in its other investment activities. Research and brokerage services furnished by brokers may include but is not limited to: research reports on or other information about particular companies or industries; economic surveys and analyses; recommendations as to specific securities; financial publications; portfolio evaluation services; financial database software and services; computerized news and pricing services; services related to the execution, clearing and settlement of securities transactions and functions incidental thereto, such as connectivity services between Bloom Tree and a broker-dealer and other relevant parties such as prime brokers; quotation equipment and other computer hardware for use in running software used in investment decision making; market data; and other products or services that may enhance the Firm's investment decision making. Such research services are received primarily in the form of written reports, market data, telephone contacts, or personal meetings with analysts and company management. In addition to accepting proprietary research from broker-dealers, Bloom Tree also utilizes soft dollar commissions generated through commission sharing arrangements that it maintains with broker-dealers to purchase certain research services.

Where a product or service obtained with soft dollars provides both research and non-research benefits to Bloom Tree (i.e., a "mixed use" item), Bloom Tree will make a good faith allocation of the cost which may be paid for with soft dollars. In making good faith allocations of costs between administrative benefits and research and brokerage services, a conflict of interest may exist by reason of Bloom Tree's allocation of the costs of such benefits and services between those that primarily benefit Bloom Tree and those that primarily benefit the Funds or Clients.

Bloom Tree's use of soft dollars presents a potential conflict of interest because Bloom Tree is effectively using Fund or Client assets to pay for research that Bloom Tree might be able to generate internally or would otherwise have to purchase. This conflict of interest could motivate Bloom Tree to allocate trades to research providers, even if those providers were not offering the best available execution. As previously mentioned, Bloom Tree considers the amount and nature of research services provided by broker-dealers, as well as the extent to which such services are relied upon, and attempts to allocate a portion of the brokerage business of the Funds or Clients on the basis of that consideration. In addition, broker-dealers sometimes suggest a level of business that they would like to receive in return for the various services they provide. Actual brokerage business received by any broker-dealer may be less than the suggested allocations, but can (and often does) exceed the suggestions, because total brokerage is allocated on the basis of all the considerations described above. A broker-dealer is not excluded from receiving business because it has not been identified as providing research services. Periodically Bloom Tree considers the amount and nature of research and research services provided by broker-dealers, as well as the extent to which such services are relied upon, and attempts to allocate a portion of the brokerage business of the Clients on the basis of that consideration.

Bloom Tree or affiliates may receive introductions to fund investors through broker-dealers that are prime brokers or who execute trades on behalf of Bloom Tree. Bloom Tree does not believe that it pays any additional fees or higher commissions as a result of these introductions. Bloom Tree seeks best execution on all transactions. However, Bloom Tree may have an incentive to select or use an executing or prime broker based on Bloom Tree or an affiliate receiving Fund investor referrals from that counterparty. Bloom Tree does not consider Client or Fund investor referrals from broker-dealers when making brokerage allocation decisions.

A Client may direct Bloom Tree to effect transactions in the Client's account through a specific broker-dealer or counterparty ("Directed Brokerage"). Under such a Directed Brokerage arrangement, the Client is typically responsible for negotiating terms for their account directly with the broker-dealer or counterparty. Bloom Tree will only direct brokerage pursuant to specific instructions that have been signed and dated by the Client. Directed Brokerage may restrict Bloom Tree from achieving the most favorable execution of Client transactions. For example, in a Directed Brokerage account, the Client may pay higher brokerage commissions because Bloom Tree may not typically be able to aggregate orders to reduce transaction costs, therefore, the Client may receive less favorable prices. Bloom Tree will also not typically aggregate trades for Directed Brokerage Client accounts with non-Directed Brokerage Clients. Bloom Tree will generally place trades on behalf of accounts subject to Directed Brokerage arrangements after trading on behalf of other accounts. Consequently, Clients that have instructed Bloom Tree to Direct Brokerage may pay materially disparate commissions, greater spreads, or other transaction costs, or receive less favorable net prices on transactions than would otherwise be the case. Clients that limit Bloom Tree's trading partners may also pay materially disparate commissions, greater spreads, or other transaction costs, or receive less favorable net prices on transactions, or not receive the same investment opportunities than would otherwise be the case. Bloom Tree also generally attempts to manage available market liquidity efficiently across all clients, therefore, at times when it has orders for the same security for Clients that do and do not limit Bloom Tree trading partners, Bloom Tree will typically present orders externally pro rata based on each Client's order target quantity and Bloom Tree's proprietary assessment of the available market liquidity in the respective asset.

It is Bloom Tree's policy, whenever possible, to aggregate trades in a block trade in order to reduce transaction costs and to ensure equal price across the Client accounts. Instances in which Client orders may not be aggregated include, but are not limited to, the following:

- Bloom Tree determines that the aggregation is not appropriate because of market conditions;
- Situations where Bloom Tree must effect the transactions at different times or prices, making aggregation unfeasible; and
- A determination is made by Bloom Tree not to aggregate orders because of tax, legal, regulatory or administrative reasons.
- Accounts such as Bloom Tree Ponderosa Master Fund, Ltd. and the SPC that are not managed *pari passu* to the core Bloom Tree strategy. Such accounts also may impose limits on trading activity and due to the nature of their strategy, and in an effort to achieve their investment objectives may hold securities in significantly different proportions relative to other Bloom Tree Clients.

When aggregating orders, all Clients will be treated in a fair and equitable manner. Bloom Tree will not aggregate orders unless aggregation is consistent with its duty to obtain best execution. Each account that participates in an aggregated order will participate at the average price, with transaction costs shared *pro rata* based on each account's participation in the transaction. It is the policy of Bloom Tree to allocate investment opportunities for the Clients fairly and equitably, to the extent possible, over a period of time. Bloom Tree, however, will have no obligation to purchase, sell or exchange any security or financial instrument for one Client or Fund that Bloom Tree may purchase, sell or exchange for another Client if Bloom Tree believes in good faith at the time the investment decision is made that such transaction or investment would be unsuitable, impractical or undesirable for a particular Client. Bloom Tree will follow procedures to ensure that allocations do not involve a practice of appearing to favor or disadvantage any Client or group of Clients.

On occasion Bloom Tree may participate in initial public offerings or new issues for its eligible Client accounts. In these cases, Bloom Tree's general policy and practice is to allocate shares fairly and equitably among Client accounts according to a specific consistent basis so as not to advantage any one Client over another over time.

As is consistent with its duty to seek to obtain best execution, Bloom Tree will utilize cross trades for Client accounts. A cross trade occurs when Bloom Tree's purchases and sells a particular security between two or more accounts under Bloom Tree's management by instructing brokers to cross the trade. Bloom Tree generally utilizes "cross" trades as part of the rebalancing process as described below. In no instance does Bloom Tree receive additional compensation when crossing trades for client accounts. Bloom Tree will seek to ensure that the terms of the transaction, including the consideration to be paid or received, are fair and reasonable, and the transactions are done for the sole benefit of the Clients. Principal transactions include cross trades involving a private fund when an investment adviser and/or its controlling persons own more than 25% of a private fund's outstanding securities ("Principal account"). Given the restrictions and requirements imposed by ERISA and the Advisers Act on engaging in cross trades Bloom Tree does not include ERISA or Principal accounts in cross trades even where Bloom Tree could achieve reduced transaction costs for its Clients by doing so.

The Firm enters into "rebalancing" transactions often between the Clients when contributions or withdrawals of capital to or from the Clients change the ratio of assets of one Client to another. The purpose of the rebalancing transactions is to bring each Fund's exposure to a commonly held investment into line with the Fund's percentage of total assets under management. A Client could be a purchaser or a seller in such rebalancing transactions. All "rebalancing" transactions are effected for cash consideration at the prevailing market close as of a pre-determined rebalancing day of the particular securities and do not involve restricted securities or securities for which market quotations are not readily available. Any transaction costs or transaction cost savings will be borne or shared in equal proportions among the participants. At times Bloom Tree purchases or sells securities for Clients simultaneously with purchases or sales of like securities for other Client accounts. These concurrent buy and sell transactions will typically be executed at slightly different prices, because of, among other things, market liquidity, execution time, and the desired quantity of securities purchased or sold. As a result of aggregating trades and Bloom Tree's simultaneous order delivery, however, the execution prices may be less favorable to a particular Client(s) than it would be if similar transactions were not being executed concurrently for other Client accounts.

A "trade error" is generally considered to include an error that (i) prevents portfolio trading instructions given by the PM on behalf of a Client or Fund from being effectuated in substantially the manner intended by the PM; (ii) results in the execution of a trade on behalf of a Client that was not intended for that Client; or (iii) causes a violation of any applicable investment policies or restrictions mandated by the Client or by law. Depending on the relevant facts and circumstances, other events might also be considered trade errors.

Bloom Tree seeks to detect trade errors prior to settlement and to correct and/or mitigate them in an expeditious manner. To the extent an error is caused by a third party, such as a broker, Bloom Tree will seek to recover any losses associated with the error from that third party. However, there is no guarantee that Bloom Tree will be able to do so. In the event that a Fund incurs a trade error solely as a result of Bloom Tree's dishonesty or bad faith, gross negligence, or willful misconduct, such error will be corrected by Bloom Tree as soon as practicable and in a manner such that the Fund incurs no loss. Trade errors that result from reasons other than by breach of the standard of care stated in the previous sentence will be borne by the relevant Fund. Bloom Tree has a conflict of interest in determining whether an error has occurred or was caused as a result of bad faith, gross negligence, or willful misconduct. If Bloom Tree makes an error while placing a trade for a Separately Managed Account or SPC, Bloom Tree will seek to correct the error promptly in a way that mitigates any losses. Bloom Tree will generally bear any costs associated with correcting any error for a Separately Managed Account or SPC subject to the terms of the relevant investment management agreement. Gains associated with any trade error shall be retained by the affected Client(s). Bloom Tree will generally not net gains and losses associated with multiple errors related to separate investment decisions, but gains and losses stemming from an interrelated set of errors may generally be netted. Bloom Tree will not use soft dollars or commitments of future brokerage business to compensate any broker-dealer for absorbing the cost of a trade error.

Item 13: Review of Accounts

The Portfolio Manager reviews the portfolio assets in the Client accounts on an intra-day daily basis. The portfolios of the Clients will also be reviewed by the Chief Compliance Officer daily.

Additionally, the Firm has an Investment Committee to assist in satisfying its fiduciary obligation to evaluate its investment program and each portfolio in accordance with set guidelines.

The Administrator sends monthly capital statements to investors in the Funds and SPCs identifying opening and closing balances for the period, net income, and capital contributions and withdrawals. Investors also receive periodic management letters which may describe recent performance of the Fund and updates on the Firm.

Bloom Tree does not send statements to Separately Managed Account clients.

Item 14: Client Referrals and Other Compensation

J.P. Morgan Securities LLC has been retained as a placement agent for introducing potential investors to certain Clients as described in the relevant offering documents. J.P. Morgan Securities LLC receives a portion of the management fees otherwise paid to Bloom Tree in connection with investors they introduce to the relevant Fund. Bloom Tree may enter into arrangements with other placement agents for introducing potential investors to our Clients. Placement agents that solicit or refer potential Clients or investors to Bloom Tree are subject to a conflict of interest because they will be compensated in connection with their solicitation activities. All placement agent fees will be fully disclosed to investors and Clients.

Client or investor referrals from an entity or affiliate that serves as an executing or prime broker may also create a conflict of interest in that it may create an incentive for Bloom Tree to direct additional brokerage to J.P. Morgan Securities LLC or an affiliate. As mentioned in Item 12 above, Bloom Tree does not consider Client or Fund investor referrals from broker-dealers when making brokerage allocation decisions. Bloom Tree also has policies and procedures designed to seek best execution on all transactions and periodically monitor and evaluate service providers.

Item 15: Custody

To ensure compliance with Rule 206(4)-2 under the Investment Advisers Act of 1940 Bloom Tree has relies on qualified custodians to maintain Advisory Client assets. Bloom Tree has also appointed an independent certified public accounting firm that is both registered with, and subject to regular inspection by, the Public Companies Accounting Oversight Board that distributes audited financial statements to investors of the Funds within 120 days of the fiscal year-end. The Funds are audited annually and financial statements of the Funds are prepared in accordance with U.S. Generally Accepted Accounting Principles (“GAAP”). These reports are in written form and clients should carefully review those statements.

Item 16: Investment Discretion

The Fund Governing Documents grant Bloom Tree full discretionary authority to determine, without obtaining specific consent from the Funds or Fund investors, the securities and the amounts to be bought or sold on behalf of the Funds and to conduct the day-to-day investment operations of the Funds. Fund Investors do not have authority to impose restrictions on Bloom Tree's investment discretion.

Bloom Tree receives written discretionary authority from Separately Managed Account and SPC clients through the investment management agreement or subadvisory agreement, respectively, at the outset of the relationship to select the financial instruments and securities to be traded on behalf of the account that are consistent with the investment objectives and guidelines agreed upon with the Client. The terms of the investment management agreement or subadvisory agreement may limit Bloom Tree's authority to purchase securities that are inconsistent with the investment objectives. Clients may further limit Bloom Tree's discretion through reasonable restrictions on the account. These restrictions generally take the form of prohibitions or constraints with respect to particular securities, issuers, financial instruments, exposures, or trading counterparties.

Item 17: Voting Client Securities

As a matter of policy and as a fiduciary to its Clients, Bloom Tree is responsible for voting proxies for portfolio securities consistent with the best economic interests of its clients. Bloom Tree understands and appreciates the importance of proxy voting. The Firm will vote all proxies in the best interests of its clients and investors (as applicable) and in accordance with the procedures outlined below (as applicable), unless otherwise mandated by an investment management agreement or applicable law (e.g. ERISA). Bloom Tree has retained a third party proxy service provider to assist in the proxy voting process and to ensure soliciting materials that are received close to the submission deadline are incorporated into voting recommendations. Bloom Tree also requires the proxy service provider to notify the Company if it experiences a material conflict of interest in the voting of Clients' proxies. Bloom Tree's general policy is to vote in accordance with the recommendation of an issuer's management on routine and administrative matters, unless Bloom Tree determines that such recommendation is not in the best interests of the Clients. With respect to non-routine matters, Bloom Tree will vote on a case-by-case basis. Under certain circumstances, Bloom Tree may abstain from voting specific proxies if we believe that doing so is in the best interests of the Clients. For example, Bloom Tree generally will abstain from voting proxies where (i) Clients no longer hold the securities at the time of the vote (whether or not they held them on the record date of the vote), or (ii) Bloom Tree, on behalf of Clients, has a net short position in such issuer. Because the Firm does not feel it is client's best economic interests, Bloom Tree does not anticipate attempting to recall shares that have been lent or rehypothecated in order to participate in proxy voting.

Prior to voting any proxies, the Chief Compliance Officer will determine if there are any conflicts of interest related to the proxy in question. If a material conflict is identified, the Chief Compliance Officer will then make a determination (which may be in consultation with outside legal counsel or the proxy service provider) whether the guidelines outlined above are in the best interests of affected Clients. Clients that wish to obtain a record of the Firm's proxy voting policy or proxy voting history may contact the Chief Compliance Officer. A Separately Managed Account or SPC may contact Bloom Tree's Chief Compliance

Officer to revoke all discretionary proxy voting authority or revoke voting authority for a particular proxy solicitation.

Bloom Tree utilizes the services of a third party in order to file class action claims on behalf of our Clients or, as applicable and as agreed by a Separately Managed Account or SPC. Such third parties collect fees based upon a percentage of funds recovered in such claims. When Bloom Tree participates in a class action lawsuit and later receives any recovery amounts, those amounts will generally be credited to the participating Clients at the time the recovery amounts are received.

Item 18: Financial Information

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