

EXPLANATORY MEMORANDUM

PANTERA BITCOIN FEEDER FUND LTD

a Cayman Islands Exempted Company

August 2019

This Explanatory Memorandum for Pantera Bitcoin Feeder Fund Ltd (the "Fund") must be read in conjunction with the Confidential Private Placement Memorandum for Pantera Bitcoin Fund Ltd (including any supplements thereto), which contains important information about an investment in the Feeder Fund.

DIRECTORY

PANTERA BITCOIN FEEDER FUND LTD

Please direct investor inquiries to the Investor Relations Department (Telephone No.: 650-854-7000;
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CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM

PANTERA BITCOIN FEEDER FUND LTD

Pantera Bitcoin Feeder Fund Ltd (the "Fund") is an exempted company formed under the laws of the Cayman Islands on June 25, 2019 to facilitate indirect investments by investors in Pantera Bitcoin Fund Ltd (the "Master Fund"), an exempted company formed under the laws of the Cayman Islands that has also accepted direct investments from investors. The Fund will invest all of its investable assets in the Master Fund, which, in turn, will invest its assets in accordance with the investment program of the Master Fund set forth in the Confidential Private Placement Memorandum of the Master Fund (as it may be modified, supplemented and/or amended from time to time, the "Master Fund Memorandum"). The Master Fund Memorandum, which describes the Master Fund and the offering of the Master Fund's shares in detail, accompanies this Explanatory Memorandum (this "Memorandum") and is incorporated herein by reference, and both this Memorandum and the Master Fund Memorandum must be considered in determining whether to invest in the Fund. To the extent that any statement in this Memorandum is inconsistent with any statement in the Master Fund Memorandum, such statement shall be deemed to modify, supplement and amend the latter statement; references in this Memorandum to "the Master Fund Memorandum" should be understood to mean the Master Fund Memorandum as so modified, supplemented and amended hereby; and any statement so modified, supplemented and amended will not be deemed, except as so modified, supplemented and amended, to constitute a part of the Master Fund Memorandum. Capitalized terms used in this Memorandum but not defined herein shall have the meanings assigned to them in the Master Fund Memorandum.

The Fund is currently offering the Shares described in this Memorandum to certain qualified investors that, if accepted, will become shareholders of the Fund (the "Shareholders").

Prospective investors should carefully read each of this Memorandum and the Master Fund Memorandum in its entirety. However, the contents of this Memorandum and the Master Fund Memorandum should not be considered to be investment, legal or tax advice, and each prospective investor should consult with its own counsel and advisers as to all matters concerning an investment in the Fund.

There will be no public offering of the Shares. No offer to sell (or solicitation of an offer to buy) is being made in any jurisdiction in which such offer or solicitation would be unlawful.

This Memorandum and the Master Fund Memorandum have been prepared for the information of the person to whom it has been delivered (the "Recipient") by or on behalf of the Fund, and may not be reproduced or used for any other purpose. By accepting this Memorandum and the Master Fund Memorandum, the Recipient agrees (i) not to reproduce or distribute this Memorandum or the Master Fund Memorandum, in whole or in part, without the prior written consent of the Fund or its authorized representatives, (ii) to return this Memorandum and the Master Fund Memorandum to the Fund or its authorized representatives upon request and (iii) not to disclose any information contained in this Memorandum or the Master Fund Memorandum or any other information relating to the Fund to any person who is not a trustee, director, officer, employee, auditor, agent, attorney, financial adviser or other professional adviser responsible for matters relating to the Fund or who otherwise has a need to know such information in connection with such person's responsibilities with respect to the Recipient and who is under an obligation to keep such information confidential, except to the extent such information is in the public domain (other than as a result of any action or omission of the Recipient or permitted person to whom the Recipient has disclosed such information). Notwithstanding anything to the contrary in this Memorandum or the Master Fund Memorandum, each investor (and each employee, representative or other agent of such investor) may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure of (i) the Fund and the Master Fund, and (ii) any of the Fund's or the Master Fund's transactions,

and all materials of any kind (including opinions or other tax analyses) that are provided to such investor relating to such tax treatment and tax structure, it being understood that "tax treatment" and "tax structure" do not include the name or the identifying information of (i) the Fund or the Master Fund, or (ii) the parties to a transaction.

Each of this Memorandum and the Master Fund Memorandum is accurate as of its respective date, and no representation or warranty is made as to its continued accuracy after such date. None of the Fund or any of its authorized representatives has any obligation to update this Memorandum or the Master Fund Memorandum at any time in the future. Information contained in this Memorandum and the Master Fund Memorandum is subject to modification, supplementation and amendment at any time and from time to time. Each investor will be required to acknowledge that it made an independent decision to invest in the Fund and that it is not relying on the Fund, the Administrator, the Investment Manager or any other person or entity (other than such investor's own advisers) with respect to the legal, tax, financial, risk or other considerations involved in an investment in the Fund. Past performance is no guarantee of future results.

This Memorandum has been prepared by the Investment Manager on behalf of the Fund (and the Master Fund Memorandum has been prepared by the Investment Manager on behalf of the Master Fund), which has the ultimate authority over its contents. Other than the Investment Manager, no investor shall be responsible for any statements in this Memorandum or the Master Fund Memorandum.

Statements contained in this Memorandum or the Master Fund Memorandum (including those related to current and future market conditions and trends in respect thereof) that are not historical facts are based on current expectations, estimates, projections, opinions and/or beliefs of the Investment Manager, the Fund or the Master Fund. Such statements and certain other information contained in this Memorandum or the Master Fund Memorandum constitute "forward-looking statements", which can be identified by the use of forward-looking terminology such as "may", "will", "should", "expect", "anticipate", "target", "project", "estimate", "intend", "continue" or "believe", or the negatives thereof or other variations thereon or comparable terminology. Due to various risks and uncertainties, actual events or results of the actual performance of any investment made by the Fund may differ materially from those reflected or contemplated in such forward-looking statements.

Each prospective or current investor, when making its decision to subscribe for Shares or making a subsequent investment decision with respect to the Fund, can rely only on information included in this Memorandum and the Master Fund Memorandum or the Investment Manager's (or its affiliate's) Form ADV, and any Additional Information (irrespective of any other information furnished to such investor). "Additional Information" means any information, other than information included in this Memorandum and the Master Fund Memorandum, concerning the terms and conditions of the Shares or the status of the Fund, communicated in writing to a prospective or current investor by the Fund or the Investment Manager and expressly identified as "Additional Information". If Additional Information contradicts, modifies, supplements or amends any information included in this Memorandum or the Master Fund Memorandum, this Memorandum and the Master Fund Memorandum will control, unless the Fund or its authorized representative expressly indicates in writing that such Additional Information modifies, supplements or amends the information included in this Memorandum or the Master Fund Memorandum.

This Memorandum does not summarize the terms of the Master Fund Memorandum. Prospective Shareholders should refer to the Master Fund Memorandum for the terms applicable to the Master Fund.

The Shares are offered subject to prior sale, and subject to the right of the Fund to reject any subscription in whole or in part.

The Shares are suitable only for sophisticated investors (i) that do not require immediate liquidity for their investments, (ii) for which an investment in the Fund does not constitute a complete investment program and (iii) that fully understand and are willing and able to assume the risks of an investment in the Fund. Each subscriber for Shares will be required to represent that it is acquiring the Shares for its own account, for investment purposes only and not with a view toward distributing or reselling the Shares in whole or in part. There is no established secondary market for the Shares, and none is expected to develop. Given the investment program of the Fund and the redemption terms of the Fund, it is expected that (i) the assets of the Fund will experience significant volatility; (ii) the Investment Manager will have difficulty buying and selling assets for the Fund; and (iii) investors will be subject to delays in subscribing for and redeeming Shares.

The Shares are subject to limited liquidity and significant restrictions on transferability and resale. Investors will be required to bear the financial risks of an investment in the Fund for an indefinite period of time. Investment in the Fund involves the risk of loss of the entire value of an investor's investment in the Fund.

All references herein to "U.S. dollars" or "\$" are to the lawful currency of the United States.

The Shares have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or any U.S. state securities laws or the laws of any other jurisdiction and, therefore, cannot be resold, reoffered or otherwise transferred unless they are so registered or an exemption from registration is available. The Shares will be offered and sold under the exemption provided by Section 4(a)(2) of the Securities Act and Regulation D promulgated thereunder and other exemptions of similar effect under U.S. state laws and the laws of other jurisdictions where the offering will be made.

The Fund is not registered as an investment company under the U.S. Investment Company Act of 1940, as amended (the "Company Act"). Consequently, the Fund will not be required to adhere to certain restrictions and requirements under the Company Act, and investors will not be afforded the protections of the Company Act.

The Fund will not trade, buy, sell or hold Bitcoin derivatives including Bitcoin futures contracts. The Fund is solely authorized to take immediate delivery of Bitcoin. The Fund is not, and does not expect to become, regulated by the Commodity Futures Trading ("CFTC") under the Commodity Exchange Act as a "commodity pool," and will not be operated by a CFTC-regulated commodity pool operator because it will not trade, buy, sell or hold Bitcoin derivatives, including Bitcoin futures contracts. Shareholders in the Fund will not receive the regulatory protections afforded to investors in regulated commodity pools, nor may any exchange enforce its rules with respect to the Fund's activities. In addition, Shareholders in the Fund will not benefit from the protections afforded to investors in Bitcoin futures contracts on regulated futures exchanges.

The Investment Manager does not believe that the Fund or the Investment Manager is, or will be, required to (a) register as a Money Services Business with the Financial Crimes Enforcement Network of the U.S. Department of the Treasury ("FinCEN"); (b) obtain a money transmitter license with the banking department of any state, or (c) obtain a license under the Cayman Islands Money Services Law (Revised) ("Money Services Law"), and therefore has not done so. There is a risk that the Investment

Manager and/or the Fund will be considered a Money Services Business and will be required to register with FinCEN, obtain money transmitter licenses from state banking departments and/or obtain a license under the Money Services Law.

The Fund is a regulated mutual fund for the purposes of the Mutual Funds Law (as amended) of the Cayman Islands (the "Mutual Funds Law"). The Fund is registered with the Cayman Islands Monetary Authority (the "Monetary Authority") pursuant to section 4(3) of that law and the prescribed details in respect of this Memorandum and the Fund have been filed with the Monetary Authority. Such registration does not imply that the Monetary Authority or any other governmental body has approved this Memorandum or passed judgment on the offering of Shares hereunder. (See "Regulatory Matters — Cayman Islands Mutual Funds Law".)

This Memorandum is based on the law and practice currently in force in the Cayman Islands and is subject to changes therein. No invitation to subscribe for shares may be made to the public in the Cayman Islands and this Memorandum does not represent such an invitation. Any Shares which are sold or transferred in violation of the prohibitions set out in this Memorandum may be redeemed involuntarily by the Fund. This Memorandum should be read in conjunction with the Memorandum and Articles of Association of the Fund, as the same may be amended from time to time (the "Articles of Association").

In making an investment decision, investors must rely upon their own examination of the Fund and the terms of the offering, including the merits and risks involved. The Shares have not been filed with, registered, approved by or disapproved by the U.S. Securities and Exchange Commission (the "SEC") or any other governmental agency, regulatory authority or national securities exchange of any country or jurisdiction, with the exception of filing this document with the Monetary Authority. No such agency, authority or exchange has passed upon the accuracy or adequacy of this Memorandum or the merits of an investment in the Shares offered hereby. Any representation to the contrary is a criminal offense.

Certain information contained herein concerning economic trends and performance are based on or derived from information provided by independent third-party sources. The Investment Manager believes that such information is accurate and that the sources from which it has been obtained are reliable. The Investment Manager cannot guarantee the accuracy of such information, however, and has not independently verified the assumptions on which such information is based.

Whenever in this Memorandum the Board of Directors, the Investment Manager, its affiliates or any other person is permitted or required to make a decision (i) in its "discretion" or under a grant of similar authority or latitude, such person will be entitled to consider such interests and factors as it desires, including its own interests, or (ii) in its "good faith" or under another express standard, such person will act under such express standard, will not be subject to any other or different standard imposed by applicable law and may exercise its discretion differently with respect to different Shareholders.

Prospective investors should consult Appendix A hereto for a listing of restrictions on offerings and sales in certain jurisdictions. The information set forth in Appendix A was obtained from a third-party law firm that prepared such information (i) in consultation with local counsel, where necessary, and (ii) based on a hypothetical offering structure commonly used by private investment funds. Neither

Schulte Roth & Zabel LLP ("SRZ") nor Ogier prepared the information set forth in Appendix A (other than the information for (i) prospective Shareholders in the United Kingdom, which was prepared by SRZ, and (ii) prospective Shareholders in the Cayman Islands, which was prepared by Ogier). Neither SRZ nor Ogier has researched or verified the accuracy or completeness of the information. None of the Investment Manager or the Fund prepared, researched or verified the contents of such information.

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PANTERA BITCOIN FUND LTD

SUMMARY OF TERMS

The following is a summary of the principal terms of the Fund. This summary is qualified in its entirety by the more detailed information set forth in this Memorandum, the Master Fund Memorandum, any Supplement to this Memorandum or the Master Fund Memorandum, the Articles of Association and the Memorandum and Articles of Association of the Master Fund, as the same may be amended from time to time (the "Master Fund Articles of Association"), each of which is available upon request, and each Shareholder's Subscription Agreement (collectively, the "Fund Documents"). This summary should be read in conjunction with such detailed information. In the event that any information in this Memorandum or the Master Fund Memorandum contradicts information set forth in any other Fund Document, the applicable Fund Document will control. Capitalized terms used in this Memorandum but not defined herein shall have the meanings assigned to them in the Master Fund Memorandum. Other than as provided for herein, the description of the terms applicable to an investment in a Tranche of Shares of the Master Fund in the Master Fund Memorandum applies *mutatis mutandis* to an investment in the corresponding Tranche of Shares (as defined below) of the Fund.

**THE FUND;
INVESTMENT
PROGRAM:**

The Fund

The Fund is an exempted company formed under the laws of the Cayman Islands on June 25, 2019 to facilitate indirect investments by investors in the Master Fund, an exempted company formed under the laws of the Cayman Islands that has also accepted direct investments from investors. The Fund will invest all of its investable assets in the Master Fund, which, in turn, will invest its assets in accordance with the investment program of the Master Fund set forth in the Master Fund Memorandum.

MANAGEMENT:

The Investment Manager

Pantera Bitcoin Management LLC (the "Investment Manager"), a Delaware limited liability company, serves as the investment manager of the Fund and the Master Fund. Daniel W. Morehead, controls the Investment Manager. The Investment Manager is a wholly-owned subsidiary of Pantera Bitcoin Advisors LLC, a Delaware limited liability company (the "Advisor"). The Advisor is a wholly-owned subsidiary of Pantera Bitcoin Partners LLC, a Delaware limited liability company.

The Board of Directors

The board of directors of the Fund (the "Board of Directors") has ultimate responsibility for the management, operations and the investment decisions made on behalf of the Fund, but has delegated investment discretion over the Fund's assets to the Investment Manager pursuant to the terms of an investment management agreement with the Fund (the "Investment Management Agreement"). Consequently, the Board of Directors does not manage the day-to-day conduct of the Fund's activities and, pursuant to the Articles of Association of the Fund, has no authority to approve or deny subscriptions or redemptions. Additionally, the Board of Directors has delegated the calculation of net asset value and certain administrative, accounting, registrar and transfer agency responsibilities to

the Administrator. References herein to the Board of Directors taking actions and making determinations on behalf of the Fund should be understood to mean actions taken and determinations made by the Board of Directors generally in consultation with the Investment Manager. Daniel W. Morehead, Scott Lennon, Matt Gorham and Ryan Davis serve as directors of the Fund (each, a "Director").

The Directors also serve as the members of the board of directors of the Master Fund (the "Master Fund Board of Directors"), which has ultimate responsibility for the management, operations and the investment decisions made on behalf of the Master Fund, but has delegated investment discretion over the Master Fund's assets to the Investment Manager.

The terms of the Investment Management Agreement (including with respect to exculpation and indemnification of the Investment Manager) are substantially similar to the terms of the investment management agreement between the Investment Manager and the Master Fund, other than as provided for herein.

For further information, see the section entitled "Management" in the Master Fund Memorandum.

OFFERING OF SHARES:

Subject to the terms of the Articles of Association and to the condition that each new Shareholder execute a subscription agreement (a "Subscription Agreement"), the Fund may admit one or more new Shareholders and may accept subscriptions as of any Business Day or at such other times as the Investment Manager may determine in its sole discretion (each date on which all or a portion of a subscription is accepted, a "Subscription Date"). It is generally anticipated that the Investment Manager will not accept subscriptions on any Subscription Date for the Master Fund, the Fund and the other Related Investment Vehicles that, in the aggregate, exceeds 25% (or such other amount as determined in the Investment Manager's sole discretion) (the "Subscription Percentage") of the median of the daily trading volume of Bitcoin on the Exchanges during the previous 20 Business Days (the "Median Daily Trading Volume"). The Investment Manager, in its sole discretion, may choose to accept subscriptions in excess of the Subscription Percentage, as well as limit subscriptions below the Subscription Percentage. Any proposed subscription amounts not yet accepted shall be held in a non-interest bearing subscription account until the Investment Manager has accepted such amounts for investment in the Master Fund, the Fund or the other Related Investment Vehicles, as applicable (such amounts so held, the "Subscription Queue"). The Investment Manager may utilize multiple subscription accounts at different banks and in multiple jurisdictions. Subscription amounts may be transferred between subscription accounts prior to being accepted into the Fund or the Subscription Queue.

Investors must meet all anti-money laundering requirements before funds are placed in the Subscription Queue. In the event that the Investment Manager determines to accept an in-kind contribution of Bitcoin from a Shareholder, such in-kind contribution will not be subject to the

Subscription Queue.

Subscriptions in the Subscription Queue will be satisfied in the order in which the corresponding subscription was requested. Subscription requests in the Subscription Queue that were made on the same Business Day shall be satisfied on a *pro rata* basis, based on the amount of the subscription request, until all requests made on such Business Day have been satisfied. The Board of Directors does not manage the day-to-day conduct of the Fund's activities and has delegated to the Investment Manager all of its authority to approve or deny subscriptions and redemptions.

Bitcoin transactions executed for purposes of rebalancing the portfolios of certain of the Related Investment Vehicles that are supposed to maintain fixed ratios of Bitcoin to other financial instruments will not be subject to the Subscription Queue and will have priority over any subscriptions that are subject to the Subscription Queue.

The proceeds of each subscription by each Shareholder will be invested by the Fund in the corresponding Tranche of Shares of the Master Fund, and each subscription of a Shareholder will be deemed to create a separate series at the level of the Master Fund, for purposes of tracking (or assisting the Fund to track) the investments, Management Fees and Realization Fees (applied at the Master Fund level), expenses or other items attributable to each subscription of each Shareholder, and applying the redemption rights applicable to each such subscription, in a manner consistent with this Memorandum and the Master Fund Memorandum.

USE OF PROCEEDS:

The proceeds from the sale of Shares will be available for the Fund's investment program, after the payment of the Fund's expenses, and will therefore be invested by the Fund in the Master Fund.

THE SHARES:

The Fund is currently offering redeemable, participating non-voting shares of the Fund, being tranche A shares of the Fund ("Tranche A Shares") and tranche B shares of the Fund ("Tranche B Shares", together with the Tranche A Shares and such other shares of the Fund as the Fund may issue from time to time, the "Shares"), to certain qualified investors that, if accepted, will become Shareholders. The terms of each Tranche of Shares of the Fund require the proceeds of each subscription for such Shares to be invested in the corresponding Tranche of Shares offered by the Master Fund, and as a result the terms of each Tranche of Shares of the Fund are identical to the terms of the corresponding Tranche of Shares, except as described herein or the Articles of Association.

The terms of each tranche of Shares established by the Fund (each, a "Tranche") are identical, except that the terms of each Tranche of Shares differ in the same respects, and to the same extent, as the differences between the terms of the corresponding Tranches of Shares of the Master Fund. Accordingly, the terms of each Tranche of Shares of the Fund are identical, except with respect to Management Fees and Realization Fees

(applied at the level of the Master Fund).

Since the terms of each Tranche of Shares mirror the terms of the corresponding Tranche of Shares offered by the Master Fund, except as described herein or the Articles of Association, prospective Shareholders should be aware that the rights attaching to the Shares may be modified or varied from time to time to reflect modifications or variations made to the underlying rights of the corresponding Tranche of Shares in accordance with the Master Fund Articles of Association.

The Advisor will hold all of the voting shares of the Fund.

Tranche A Shares are offered to all Shareholders in the Fund, other than Shareholders eligible to invest in Tranche B. Tranche B Shares are offered to the Investment Manager, its affiliates and their respective employees.

A Shareholder will be admitted to the Fund when all or any portion of its subscription amount leaves the subscription account, and may be issued tranche C shares of the Fund ("Tranche C Shares") in respect of such amount, which, as described above, are generally identical to the terms of the corresponding Tranche of Shares of the Master Fund. Once a Shareholder's subscription funds have been (indirectly) received at the Master Fund's counterparty to a Bitcoin transaction or such funds have been applied by the Fund or the Master Fund to pay expenses or satisfy redemptions, such Shareholder's Tranche C Shares will be converted to Tranche A Shares or Tranche B Shares, as applicable (corresponding tranches of shares will also be converted at the Master Fund level). Tranche C Shares are not subject to Management Fees (at the Master Fund level) and are not redeemable at the option of a Shareholder. Any gains and losses on Tranche C Shares will be allocable to the Master Fund as a whole.

The Shares are issued in registered, book-entry form at a purchase price of \$0.01 per Share, subject to the minimum subscription amount, except as described in the following paragraph.

The Fund, in the sole discretion of the Board of Directors, may in the future establish additional Tranches having, or enter into Side Letters with Shareholders which provide for, different or additional terms than those described in this Memorandum, including, without limitation, different Management Fee rates, functional currencies, information rights and redemption rights. The Board of Directors may establish new Tranches and the Fund may enter into Side Letters with Shareholders, without providing prior notice to, or receiving consent from, other Shareholders. The Fund previously offered another Tranche of Shares which were subject to different fee terms, but such Shares are not being offered pursuant to this Memorandum. The terms of such Tranches or Side Letters will be determined by the Board of Directors and the Investment Manager in their sole discretion.

**INITIAL AND
ADDITIONAL
SUBSCRIPTIONS:**

The Investment Manager, in its sole discretion, may accept subscriptions for Shares in cash or in kind. The minimum initial subscription for each subscriber is \$100,000, or (if the Investment Manager agrees in its sole discretion to accept a subscription in kind) its equivalent, as of the Subscription Date, in Bitcoin. A Shareholder may make additional subscriptions to the Fund in amounts of at least \$50,000, or (if the Investment Manager agrees in its sole discretion to accept a subscription in kind) its equivalent, as of the Subscription Date, in Bitcoin. The Investment Manager, in its sole discretion, may accept subscriptions of lesser amounts or establish different minimums or reject, in whole or in part, any subscription, in whole or in part, for any reason or no reason; *provided* that at no time will the Fund accept a minimum initial subscription of less than \$100,000, or (in the case of subscriptions in kind) its equivalent, as of the Subscription Date, in Bitcoin, or such other minimum amount as specified under Cayman Islands law from time to time.

All admission requirements must be satisfied, including, without limitation, anti-money laundering clearance, and subscription monies must be in the Fund's subscription account prior to the requested Subscription Date.

It is generally anticipated that, subject to the Subscription Queue, subscriptions that satisfy the admission requirements before 6 a.m. Pacific time on a Business Day and subscription monies received before 8 a.m. Pacific time on a Business Day will be accepted into the Fund on the same Subscription Date. Subscriptions that do not meet such cut-off times on a given Subscription Date will be accepted into the Fund on subsequent Subscription Dates.

Subscription monies must be in the Fund's subscription account and all other admission requirements must be satisfied, including, without limitation, anti-money laundering clearance, at least one Business Day prior to the requested Subscription Date. Subject to the Subscription Queue, the Investment Manager may accept amounts in the subscription account on any Subscription Date. Each Shareholder will receive written notice from the Administrator setting forth the amount of subscription monies invested in the Fund on each Business Day. If a subscription has not been accepted in full within five Business Days of the originally targeted Subscription Date for such subscription, a Shareholder may, upon two Business Days' written notice to the Administrator, request the return of its undrawn subscription monies. Subscription monies will be held in a non-interest bearing subscription account and will not be at risk of the Fund until the Investment Manager has drawn them for investment. Shares will be valued in accordance with the valuation procedures set forth herein as of the end of the Business Day on each Subscription Date. Subscription monies will not be subject to the Management Fee (at the Master Fund level) during any time such monies are in the Subscription Queue and will be charged the Management Fee (at the Master Fund level) beginning on the first day following the issuance of Shares to the Shareholder.

In the event that the Master Fund, the Fund and/or the other Related Investment Vehicles receives multiple subscriptions on any Business Day, the Investment Manager will allocate capacity *pro rata* among all such subscriptions based on subscription amounts, in accordance with the Subscription Queue, and Shareholders or prospective Shareholders whose subscription amount was not fully drawn on an intended Subscription Date will have priority over later subscriptions on each of the next available Subscription Dates, until such Shareholder's or prospective Shareholder's subscription amount has been fully drawn.

For purposes of determining the subscription price, Bitcoin will be priced based on the volume weighted average price of Bitcoin on the Exchanges (the "VWAP") as of the end of the Business Day on the Subscription Date. To determine VWAP for a Business Day, the Investment Manager will take the aggregate of the published volume (in USD) on the Exchanges divided by the aggregate of the published volume (in Bitcoin) on such Exchanges.

Persons interested in acquiring Shares will be furnished, and will be required to complete and return to the Administrator, a Subscription Agreement and/or certain other documents as may be requested by the Investment Manager, in its sole discretion, for its initial and each additional subscription. The Subscription Agreement contains, among other provisions, certain representations, warranties, agreements, undertakings and acknowledgements relating to a prospective Shareholder's suitability to purchase Shares, the terms of the Shares, and other matters. Subscribers should understand that the Shares will be offered and sold in reliance upon the representations, warranties, agreements, undertakings and acknowledgements made by the subscriber in, and other information provided by the subscriber in connection with, the Subscription Agreement, and that such provisions may be asserted as a defense by the Fund and the Investment Manager in any action or proceeding relating to the offer and sale of Shares. Shareholders may be subject to contractual liability with respect to any breaches of such representations, warranties, agreements, undertakings and acknowledgements, and may be required to indemnify the Fund and /or the Investment Manager for any losses it incurs as a result of such breach, regardless of the limited liability status of the Fund.

The equity capitalization of the Fund (and the Master Fund) and the acceptance of subscriptions will be determined by the Investment Manager, in its sole discretion, based on a number of factors, including the availability of investment opportunities. There are no minimum and maximum limitations on the amount of assets that may be managed by the Fund (and the Master Fund).

SALES CHARGES:

There will be no sales charges payable to the Investment Manager or its affiliates in connection with the offering of Shares. However, the Investment Manager, its affiliates and/or the Fund may enter into agreements with placement agents providing for one-time or ongoing payments from the Fund based upon the amount of a Shareholder's subscriptions or the Management Fees (indirectly) borne by a Shareholder that was introduced to the Fund by the placement agent.

REDEMPTIONS:Voluntary Redemptions

As each subscription of a Shareholder will be deemed to create a separate series at the level of the Master Fund for purposes of applying the redemption rights applicable to each such subscription, a Shareholder generally may redeem Shares on substantially similar terms as a Master Fund shareholder is permitted to redeem shares of the Master Fund (subject to the limitations and restrictions on redemptions applicable to Master Fund shareholders, as set forth in the Master Fund Memorandum), as further described below.

Subject to the limitations on redemptions set forth herein, including, but not limited to, the Redemption Queue, each Shareholder will have the right as of any Business Day (each day on which a redemption (or portion thereof) is effected, a "Redemption Date"), upon written notice to the Administrator, to request the redemption of all or a specified percentage of its Shares. It is generally anticipated that, subject to the Redemption Queue, redemption notices received by the Administrator no later than 6 a.m. Pacific time on a Business Day will be satisfied as of the later of the Redemption Date requested in such notices and the next Business Day following receipt of such notices, subject to the limitations on redemptions set forth herein.

A redemption notice will be irrevocable unless the Investment Manager, in its sole discretion, permits the redemption notice to be revoked.

Generally, all redemption requests received by the Administrator with respect to each Redemption Date will be satisfied on a *pro rata* basis based on the amount of each Shareholder's (and each Master Fund shareholder's) requested redemption as of such date. However, in the event that aggregate redemption requests from the Master Fund, the Fund and the other Related Investment Vehicles on a Redemption Date together exceed 15% (or such other amount as determined in the Investment Manager's sole discretion) (the "Redemption Percentage") of the Median Daily Trading Volume, the Investment Manager expects to limit redemptions in excess of such amount. The Investment Manager, in its sole discretion, may choose to satisfy redemption requests in excess of the Redemption Percentage, as well as limit redemption requests below the Redemption Percentage. Redemption requests received by the Administrator will generally be satisfied on a *pro rata* basis, based on the net asset value of the redeeming Shareholder's Shares with respect to each Redemption Date. Redemption requests will be satisfied on a first-in, first-out basis by intended Redemption Date and, for the avoidance of doubt, redemption requests

requested to be made with respect to a particular Redemption Date but delayed as a result of the Redemption Percentage (such requests, the "Delayed Redemptions") will have priority over any later redemption requests (such order, the "Redemption Queue").

A redeeming Shareholder will be entitled to receive redemption proceeds based on the net asset value of such Shareholder's Shares as of the Redemption Date, based on Bitcoin priced based on the VWAP set on the applicable Redemption Date.

In the case of Delayed Redemptions, the Investment Manager will determine the portion of such Delayed Redemptions (the "Subsequent Redeemed Amount") to be satisfied on each subsequent Redemption Date (based on the liquidation of Bitcoin and the offset of subscription proceeds, each as described below), observing the Redemption Queue. The Investment Manager intends to liquidate Bitcoin (at the Master Fund level), subject to the Redemption Queue, in order to satisfy the portion of the redemption request(s) to be satisfied on a given Redemption Date (including any Subsequent Redeemed Amount designated for redemption on that Redemption Date); *provided*, that, in the Investment Manager's sole discretion, the Investment Manager may use subscription proceeds (of the Master Fund, including investments by the Fund) to satisfy redemption requests in lieu of liquidating Bitcoin. Cash proceeds from such liquidation shall be distributed to Shareholders to satisfy such redemption requests. Shareholders subject to Delayed Redemptions will remain invested in, and therefore still subject to the risks (including the credit, regulatory and operational risks of the exchange on which the Investment Manager sells the Bitcoin to satisfy the redemption requests) of, and liabilities owed to, the Fund and the Master Fund. The Redemption Date with respect to any redemption satisfied through sales of Bitcoin will be the day on which such Bitcoin are sold. For the avoidance of doubt, a Shareholder will be redeemed from the Fund only with respect to the portion of its redemption request that has been satisfied, either through the liquidation of Bitcoin or the offset of subscription proceeds, and shall remain a Shareholder in the Fund with respect to any remaining portion of its investment.

Thus, the VWAP on the date a redemption is requested may differ from the VWAP on the Redemption Date(s).

Bitcoin transactions executed for purposes of rebalancing the portfolios of certain of the Related Investment Vehicles that are supposed to maintain fixed ratios of Bitcoin to other financial instruments will not be subject to the Redemption Queue and will have priority over any redemptions that are subject to the Redemption Queue.

In the event that the Investment Manager determines to accept an in-kind contribution of Bitcoin from a Shareholder, such Shareholder may request that its redemption request be satisfied in-kind up to the lesser of the number of Bitcoin contributed in-kind by such Shareholder and the Bitcoin equivalent of the value (on an as-converted to-Bitcoin basis) of such

Shareholder's Shares at the time of redemption, and the Fund will make an in-kind distribution in respect of such redemption request (to the extent that the Fund receives an in-kind distribution from the Master Fund); *provided*, that each of the Fund and the Master Fund is not restricted from doing so under applicable law or regulation, that the distribution is made to the same person that made the contribution, and subject to the limitations on redemptions set forth herein. In-kind redemptions will not be subject to the Redemption Queue.

Notwithstanding anything to the contrary herein, to the extent the Master Fund is unable to access, realize or distribute any future Bitcoin (i.e., any new Bitcoin tokens received by the Master Fund after a hard "fork") on a Redemption Date for any reason (including, but not limited to, where wallets or exchanges have temporarily denied access to, or suspended support for, such future Bitcoin), the Fund may delay payment of the portion of a redeeming Shareholder's redemption proceeds attributable to such future Bitcoin (the "Future Bitcoin Redemption Amount"). In such instance, the amount payable by the Fund will reflect the value of the future Bitcoin Redemption Amount as of the date that the Fund is able to (directly and/or indirectly) access, realize, and/or distribute such future Bitcoin.

Suspension

The Investment Manager may suspend the determination of the net asset value of the Fund and the net asset value of each Shareholder's Shares, subscription rights, redemption rights, in whole or in part, and/or the payment of redemption proceeds in respect of voluntary redemptions in any circumstance, including but not limited to the following:

- (i) during any period when any exchange or over-the-counter market on which the Master Fund's investments are quoted, traded or dealt in is closed, other than for ordinary holidays and weekends, or during periods in which dealings are restricted or suspended;
- (ii) during the existence of any state of affairs as a result of which, in the opinion of the Investment Manager, disposal of the Master Fund's assets, the payment of redemption proceeds, or the determination of the net asset value of the Master Fund, is not reasonably practicable or is reasonably expected to be prejudicial to the non-redeeming Shareholders or the Fund as a whole;
- (iii) during the existence of any state of affairs as a result of which disposal of a portion of the Master Fund's assets is restricted under applicable U.S. or non-U.S. securities laws or regulations;
- (iv) during any breakdown in the means of communication normally employed in determining the price or value of the Master Fund's assets or liabilities, or of current prices in any financial market as aforesaid, or when for any other reason the prices or values of any assets or liabilities of the Master Fund cannot reasonably be

promptly and accurately ascertained;

- (v) during any period when disposal of the Master Fund's assets, the payment of redemption proceeds, or the determination of the net asset value of the Master Fund would cause a breach or default under any covenant in any agreement entered into by the Master Fund; or
- (vi) during any period when the Investment Manager has determined that the transfer of funds presents a risk of non-compliance with applicable law or regulation or there is any other issue associated with the transfer of funds; or
- (vii) during the period in which the Master Fund is winding down its business.

The Investment Manager may suspend the determination of the net asset value of the Master Fund and the net asset value of each Master Fund shareholder's shares, subscription rights, redemption rights, in whole or in part, and/or the payment of redemption proceeds in respect of voluntary redemptions in circumstances and on terms similar to those listed above.

The Investment Manager will provide written notice to each affected Shareholder of a suspension of the calculation of net asset value of the Fund or any Shares, redemption rights and/or payment of redemption proceeds or suspensions of subscriptions with respect to investors that have submitted subscriptions for Shares. Upon the determination by the Investment Manager that the condition giving rise to a suspension has ceased to exist and no other condition under which suspension is authorized exists, such suspension will be lifted and written notice will be sent to the affected Shareholders regarding the lifting of such suspension and the next date as of which Shareholders will be permitted to redeem all or a specified percentage of their Shares.

Upon a suspension of redemption rights, all pending redemption requests will retain their priority in the Redemption Queue in order of request, but no requests subsequently received will be accepted until such time as the Investment Manager permits Shareholders to submit redemption requests in anticipation of lifting the suspension.

In addition, the Investment Manager, by written notice to any Shareholder, may suspend or withhold payment of redemption proceeds to such Shareholder if the Investment Manager and/or the Administrator reasonably deems it necessary to do so to comply with anti-money laundering laws and regulations applicable to the Fund, the Investment Manager, the Administrator or any of the Fund's other service providers.

Soft Wind Down

If the Board of Directors, in consultation with the Investment Manager, decides that the investment program of the Master Fund or the Fund is no

longer viable, it may resolve that the Fund be managed with the objective of realizing assets in an orderly manner and distributing the proceeds to Shareholders in such manner as they determine to be in the best interests of the Fund (and the Master Fund), in accordance with the terms of the Articles of Association, this Memorandum, the Master Fund Articles of Association and the Master Fund Memorandum including, without limitation, by compulsorily redeeming Shares, paying any dividend proceeds in specie (to the extent that the Fund receives an in specie distribution from the Master Fund) and/or declaring a suspension while assets are realized. This process is integral to the business of the Fund and may be carried out without recourse to a formal liquidation under the Companies Law or any other applicable bankruptcy or insolvency regime, but will be without prejudice to the right of the Shareholder(s) to place the Fund into liquidation.

Payment of Redemption Proceeds

Subject to the establishment of reserves or holdbacks (as described herein), payment of the amount redeemed generally will be made to a Shareholder without interest and within 10 Business Days of the applicable Redemption Date.

The Investment Manager may, in its sole discretion, make distributions in U.S. dollars or in Bitcoin (to the extent that the Fund receives an in-kind distribution of Bitcoin from the Master Fund), or in a combination thereof, in connection with a redemption of Shares by a Shareholder, pursuant to a required redemption, upon wind-down of the Fund, or as necessary for tax, regulatory or other reasons. The Investment Manager also may, in its sole discretion, make payments in U.S. dollars or in Bitcoin (to the extent that the Fund receives an in-kind distribution from the Master Fund), or in a combination thereof, at any time to all of the Shareholders (and Master Fund shareholders) on a *pro rata* basis.

Required Redemptions

The Investment Manager may, in its sole discretion, compulsorily redeem all or any portion of a Shareholder's Shares at any time, for any reason or no reason, with or without prior notice. The Shareholder receiving such notice will be treated for all purposes and in all respects as a Shareholder who has given notice to redeem such Shares.

The Investment Manager may, in its sole discretion, modify or waive any or all of the redemption terms with respect to any Shareholder or Tranche.

NET ASSET VALUE CALCULATIONS:

The net asset value of the Master Fund and the Fund for purposes of determining subscriptions, redemptions, Management Fees and Realization Fees (applied at the Master Fund level), will be based on Bitcoin priced at VWAP.

However, the net asset value reported in the Fund's and Master Fund's annual audited financial statements will be determined in accordance with U.S. generally accepted accounting principles ("GAAP") and will be calculated based on the price of Bitcoin set by the Exchange representing the principal market, in the Investment Manager's sole discretion, on the last day of each Fiscal Year.

Thus, the net asset value used for purposes of calculating subscription or redemption valuations, Management Fees and Realization Fees (applied at the Master Fund level) and reflected in each Shareholder's net asset value statements may differ from the net asset value reflected in the Fund's annual audited financial statements.

**NET ASSET VALUE
ADJUSTMENTS:**

If at any time the Investment Manager determines, in its sole discretion, that a materially incorrect number of Shares was issued to a Shareholder because the net asset value in effect on the date of issuance was incorrect, the Investment Manager will implement such arrangements as it determines, in its sole discretion, are required for an equitable treatment of such Shareholder, which arrangements may include redeeming a portion of such Shareholder's Shares for no additional consideration or issuing new Shares to such Shareholder for no consideration, as appropriate, so that the number of Shares held by such Shareholder following such redemption or issuance, as the case may be, is the number of Shares as would have been issued at the correct net asset value. In addition, if at any time after a redemption of Shares (including in connection with any complete redemption by a Shareholder from the Fund) the Investment Manager determines, in its sole discretion, that the amount paid to such Shareholder or former Shareholder pursuant to such redemption was incorrect (including because the net asset value at which the Shareholder or former Shareholder purchased such Shares or at which the redemption was effected was incorrect), the Fund will pay to such Shareholder or former Shareholder any additional amount that it determines such Shareholder or former Shareholder would have been entitled to receive had the redemption been effected at the correct net asset value, or, in its sole discretion, seek payment from such Shareholder or former Shareholder of (and such Shareholder or former Shareholder shall be required to pay) the amount of any excess payment that the Investment Manager determines such Shareholder or former Shareholder received, in each case without interest.

REALIZATION FEES:

In consideration of the additional effort expended by the Investment Manager to satisfy redemptions, amounts distributed to Shareholders upon redemption (whether voluntary or compulsory), other than upon dissolution of the Fund, will be reduced by a realization fee ("Realization Fee") equal to 1.0% (with respect to Tranche A Shares), applied at the Master Fund level. Tranche B Shares are not subject to a Realization Fee. The Investment Manager may, in its sole discretion, reduce or waive the Realization Fee with respect to any Shareholder or Tranche. The Realization Fee may be paid in Bitcoin or in its cash equivalent.

**LIMITATIONS ON
TRANSFERABILITY:**

Without the prior written consent of the Board of Directors, which may be withheld in its sole discretion, a Shareholder may not (i) directly, indirectly or synthetically transfer, pledge, assign, hypothecate, sell, convey, exchange, reference under a derivatives contract or any other arrangement or otherwise dispose of or encumber all or any portion of its Shares to any other person (each, a "Transfer"), except by operation of law, or (ii) substitute for itself as a Shareholder any other person. Any attempted Transfer or substitution not made in accordance with the foregoing, to the fullest extent permitted by law, will be void.

MANAGEMENT FEE:

By virtue of investing its assets in the Master Fund, the Fund (and thus the Shareholders) shall be indirectly subject to the Management Fee charged to the Master Fund, as described in the Master Fund Memorandum.

In the sole discretion of the Investment Manager, the Management Fee may be waived, reduced or calculated differently with respect to the Shares of certain Shareholders, including, without limitation, Shareholders that are members, directors, shareholders, partners, affiliates or employees of the Investment Manager, members of the immediate families of such persons and trusts or other entities for their benefit.

EXPENSES:

Expenses of the Investment Manager

The Investment Manager will provide office space and utilities; quotation and computer equipment; software; certain administrative services; and secretarial, clerical and other personnel to the Fund. The Investment Manager will bear the costs of providing such goods and services, and all of its own overhead costs and expenses.

Expenses of the Fund

The Fund will bear its own expenses and its pro rata share of the Master Fund's expenses, including, without limitation, the Management Fee; investment expenses of the Master Fund, whether or not such investments are consummated; costs related to the custody of Bitcoin (including, but not limited to, third party wallet providers); professional fees (including, without limitation, expenses of consultants, investment bankers, attorneys, accountants and other experts) relating to investments; fees and expenses relating to software tools, programs or other technology utilized in managing the Fund and the Master Fund (including, without limitation, third-party software licensing, implementation, data management and recovery services and custom development costs); costs incurred in attending seminars and conferences related to Bitcoin; research and market data (including, without limitation, any computer hardware and connectivity hardware (e.g., telephone and fiber optic lines) incorporated into the cost of obtaining such research and market data); administrative expenses (including, without limitation, fees and expenses of the Administrator); directors' and officers' (including any AML Officers) fees and expenses; costs related to liability insurance for the Board of Directors; expenses related to any Shareholder meetings; legal expenses; external accounting and valuation expenses (including, without limitation, the cost

of accounting software packages); audit and tax preparation expenses; costs related to insuring the Investment Manager and certain of its affiliates against risks related to the management or operation of the Fund and the Master Fund; costs of printing and mailing reports and notices; taxes; corporate licensing; regulatory expenses (including, without limitation, filing fees); organizational expenses; expenses incurred in connection with the offering and sale of the Shares and other similar expenses related to the Fund and the Master Fund; indemnification expenses; and extraordinary expenses. Generally, expenses directly or indirectly borne by the Fund, other than the Management Fee and any expenses which the Board of Directors determines in its sole discretion should be allocated to a particular Shareholder or Shareholders (including Investor-Related Taxes), will be charged against the Shares of all the Shareholders on a *pro rata* basis. "Investor-Related Tax" means any tax withheld from the Fund or the Master Fund or paid over by the Fund or the Master Fund, in each case, directly or indirectly, with respect to or on behalf of a Shareholder or a direct or indirect beneficial owner of the Master Fund, and interest, penalties and/or any additional amounts with respect thereto, including (i) a tax that is determined based on the status, action or inaction (including the failure of a Shareholder or a direct or indirect beneficial owner of the Master Fund to provide information to eliminate or reduce withholding or other taxes) of a Shareholder or a direct or indirect beneficial owner of the Master Fund, or (ii) an "imputed underpayment" within the meaning of Section 6225 of the Internal Revenue Code and any other similar tax, attributable to a Shareholder or a direct or indirect beneficial owner of the Master Fund, as determined by the Board of Directors in its sole discretion.

To the extent that expenses to be borne by the Fund are paid by the Investment Manager, the Fund will reimburse such party for such expenses.

The Investment Manager may, in its sole discretion, purchase insurance to protect the Fund against the loss of Bitcoin if such insurance is available. The cost of such insurance, if any, would be borne by the Fund.

If the Investment Manager appoints an Advisory Committee (at the Master Fund level), such Advisory Committee may approve (on behalf of both the Fund and the Master Fund) related party transactions and other matters related to the U.S. Investment Advisers Act of 1940, as amended (the "Advisers Act"), such as a change in control of the Advisor, and its approval of such transactions and matters will be binding on the Shareholders.

If any of the expenses listed above are incurred for the account of the Fund (and/or the Master Fund) as well as for any Other Accounts, such expenses will be allocated among the Fund (and/or the Master Fund) and such Other Accounts in proportion to the size of the investment made by each to which such expense relates, or in such other manner as the Board of Directors considers fair and equitable.

Organizational and Offering Expenses

The Investment Manager may pay or advance to the Fund funds to pay for the Fund's organizational expenses and expenses incurred in connection with the initial offering and sale of the Shares and other similar expenses related to the Fund. The Investment Manager is entitled to reimbursement from the Fund of all such funds.

Certain of the Fund's organizational and initial offering expenses may, for accounting purposes, be amortized by the Fund for up to a 36-month period. Although the amortization of such expenses over a period that is up to 36 months is a divergence from GAAP, the Investment Manager believes that doing so is more equitable than requiring the initial Shareholders to bear all of the Fund's organizational expenses as would otherwise be required under GAAP. Because the net asset value per Share will be calculated by amortizing organizational and offering costs, it will differ from the financial statements determined in accordance with GAAP (Separate amortization rules apply for Federal income tax purposes). If the Fund amortizes its expenses but terminates before such expenses are fully amortized, the unamortized portion of the organizational expenses will be debited against the Fund's assets at that time. If a Shareholder redeems all or any portion of its Shares prior to the end of the 36-month period during which the Fund is amortizing expenses, the Board of Directors may, but is not required to, accelerate a proportionate share of the unamortized expenses based upon the amount being redeemed and reduce redemption proceeds by the amount of such accelerated expenses.

NET ASSET VALUE:

The net asset value of a Tranche of Shares will be equal to the excess of the value of the assets over the value of the liabilities attributable to such Tranche as of any date of determination (the "net asset value"). Because all of the investable assets of the Fund will be invested in the Master Fund, appreciation and depreciation of the Fund's net asset value will be primarily based on appreciation and depreciation of the Master Fund's net assets. The net asset value per Share of a Tranche is determined by dividing the net asset value of each Tranche by the number of Shares thereof (the "net asset value per Share"). The net asset value of the Fund or a Tranche of Shares will generally be determined daily and at such other times as determined by the Board of Directors.

The net asset value, for purposes of subscriptions and redemptions, will be calculated incorporating Bitcoin priced at VWAP with respect to each Business Day.

Any changes to the number of exchanges used in determining the Bitcoin value must be approved by the Investment Manager.

Liabilities will be determined by the Investment Manager in a manner it deems to be fair and reasonable, applied on a consistent basis. The Board of Directors in its sole discretion may establish reserves and holdbacks for estimated accrued expenses, liabilities or contingencies, including, without limitation, general reserves and holdbacks for unspecified contingencies

and the Investment Manager may establish appropriate reserves upon a redemption by a Shareholder.

For further information, see the section entitled "Net Asset Value" in the Master Fund Memorandum.

FISCAL YEAR:

The fiscal year of the Fund (the "Fiscal Year") ends on December 31 of each year.

CERTAIN RISK FACTORS; OTHER ACTIVITIES OF MANAGEMENT; POTENTIAL CONFLICTS OF INTEREST:

Prospective Shareholders should carefully consider the risks involved in an investment in the Fund, and carefully review the risk factors relating to the Master Fund described in the section of the Master Fund Memorandum entitled "Certain Risk Factors", which risk factors are generally applicable, directly or indirectly, to an investment in the Fund. In addition, the Investment Manager and its affiliates are subject, and the Master Fund (and thus the Fund) will be exposed, to a number of actual and potential conflicts of interest, and prospective Shareholders should carefully review the section of the Master Fund Memorandum entitled "Other Activities of Management; Potential Conflicts of Interest". Prospective Shareholders should consult their own legal, tax and financial advisers about the risks of an investment in the Fund.

The following additional risks and conflicts of interest apply with respect to an investment in the Fund; however, the following list of risk factors, and those set forth in the Master Fund Memorandum, cannot and are not intended to be exhaustive. Additional or new risks not addressed below or in the Master Fund Memorandum may also affect the Fund. The following additional risk factors, the risk factors set forth in the Master Fund Memorandum and other relevant risks could have a material adverse effect on the Fund and the Shareholders' investments therein.

No Operating History. The Fund is a newly formed entity and does not have any operating history upon which prospective Shareholders can evaluate their anticipated performance.

Shareholders are not Master Fund Shareholders. The Fund will be a shareholder of the Master Fund, entitled to the rights of a Master Fund shareholder under applicable law and the Master Fund's governing documents. Shareholders, however, do not as a result of the Fund's investment in the Master Fund become Master Fund shareholders, and will not have rights as shareholders, of the Master Fund. Rather, Shareholders will have only their rights as Shareholders of the Fund under applicable law and the Articles of Association. As such, Shareholders will have little or no ability to assert direct claims against the Master Fund or Investment Manager, acting in such capacity.

Master-Feeder Structure. The Fund invests its assets in the Master Fund in a master-feeder structure. The use of a "master-feeder" structure presents certain conflicts of interest. For example, different tax considerations applicable to the Fund and other direct investors in the Master Fund may result in the Master Fund structuring or disposing of an

investment in a manner or at a time that is more advantageous (or disadvantageous) for tax purposes to the Fund or such direct investors in the Master Fund. In selecting and structuring investments appropriate for the Master Fund, the Investment Manager will consider the investment and tax objectives of the Fund (the Shareholders) and the direct investors in the Master Fund as a whole, not the investment, tax or other objectives of any Shareholder or direct investor in the Master Fund individually.

TAXATION:

Based on the Fund's and the Master Fund's organizational structure, anticipated methods of operation and features as described herein, the Fund and the Master Fund generally do not expect to be subject to U.S. federal income tax on gains from investing in accordance with the investment program set forth in the Master Fund Memorandum.

The Fund and the Master Fund are exempted companies under Cayman Islands law. The Fund and the Master Fund have made applications to the Financial Secretary of the Cayman Islands for, and expect to receive, undertakings as to tax concessions pursuant to Section 6 of the Tax Concessions Law (Revised) which will provide that, for a period of 20 years from the date of issue of the undertaking, no law thereafter enacted in the Cayman Islands imposing any taxes or duty to be levied on income or capital assets, gains or appreciation will apply to any income or property of the Fund or the Master Fund.

There can be no assurance that the U.S. or Cayman Islands tax laws will not be changed adversely with respect to the Fund, the Master Fund or their investors, or that the Fund's or the Master Fund's income tax status will not be successfully challenged by such authorities.

Potential investors should consult their own advisors regarding tax treatment by the jurisdiction applicable to them. Shareholders should rely only upon advice received from their own tax advisors based upon their own individual circumstances and the laws applicable to them.

(See "Tax Aspects".)

Cayman Islands Taxation

The Fund is an exempted company under Cayman Islands law. The Fund has received an undertaking from the Financial Secretary of the Cayman Islands to the effect that, for a period of 20 years from the date of such undertaking no law which is thereafter enacted in the Cayman Islands imposing any tax to be levied on the profits, income, gains or appreciations shall apply to the Fund or its operations.

ERISA:

Entities subject to the U.S. Employee Retirement Income Security Act of 1974, as amended ("ERISA"), may purchase Shares. Investment in Shares by entities subject to ERISA requires special consideration. Trustees or administrators of such entities are urged to carefully review the matters discussed in this Memorandum and the Master Fund Memorandum. The Fund does not intend to permit investments by Benefit Plan Investors to

equal or exceed 25% (or such greater percentage as may be specified in regulations promulgated by the DOL) of the value of any class of equity interests in the Fund. (See "ERISA Considerations".)

For the avoidance of doubt, to comply with the DOL regulations outlined above, the Fund may limit subscriptions by Benefit Plan Investors or redemptions by non-Benefit Plan Investors independent of the Subscription Queue and the Redemption Queue. Such limitations may prolong the duration in which a Shareholder's investment remains subject to the Subscription Queue or the Redemption Queue, as applicable.

**SUITABILITY
REQUIREMENTS:**

Each Shareholder generally must be either (i) a non-U.S. Person or (ii) a U.S. Person that qualifies as an "accredited investor", as defined in Regulation D under the Securities Act, and either a "qualified purchaser", as defined in the Company Act, or a "knowledgeable employee", as defined under Rule 3c-5 of the Company Act, and must meet other suitability requirements. The Subscription Agreement contains representations and questionnaires relating to these qualifications.

The Board of Directors may, in its sole discretion, decline to accept the subscription of any prospective investor that does not meet such suitability requirements, or for any other reason or for no reason.

Each prospective purchaser is urged to consult with its own advisers to determine the suitability of an investment in the Shares, and the relationship of such an investment to the purchaser's overall investment program and financial and tax position. Each purchaser of Shares is required to represent that it has evaluated the risks of investing in the Fund, understands there are substantial risks of loss incidental to the purchase of Shares and has determined that the Shares are a suitable investment for such purchaser.

REPORTS:

Within 120 days after the end of each Fiscal Year or as soon as reasonably practicable thereafter, the Fund will prepare and mail to each Shareholder audited financial statements of the Fund. The Fund will also provide periodic monthly unaudited performance information to the Shareholders.

**SUBSCRIPTION FOR
SHARES:**

Persons interested in subscribing for Shares will be furnished, and will be required to complete and return to the Administrator, a Subscription Agreement and items relating thereto as outlined in the subscription documents.

ADMINISTRATOR:

The Fund and the Master Fund have entered into an administration agreement (the "Administration Agreement") with SEI Global Services, Inc. (the "Administrator") pursuant to which the Administrator performs certain administrative and accounting services for the Fund and the Master Fund, subject to the oversight and control of the Investment Manager. For further information, see the section of the Master Fund Memorandum entitled "Administrator".

CERTAIN RISK FACTORS

Prospective Shareholders should carefully consider the risks involved in an investment in the Fund, and carefully review the risk factors relating to the Master Fund described in the section of the Master Fund Memorandum entitled "Certain Risk Factors", which risk factors are generally applicable, directly or indirectly, to an investment in the Fund. In addition, the Investment Manager and its affiliates are subject, and the Master Fund (and thus the Fund) will be exposed, to a number of actual and potential conflicts of interest, and prospective Shareholders should carefully review the section of the Master Fund Memorandum entitled "Other Activities of Management; Potential Conflicts of Interest". Prospective Shareholders should consult their own legal, tax and financial advisers about the risks of an investment in the Fund.

The following additional risks and conflicts of interest apply with respect to an investment in the Fund; however, the following list of risk factors, and those set forth in the Master Fund Memorandum, cannot and are not intended to be exhaustive. Additional or new risks not addressed below or in the Master Fund Memorandum may also affect the Fund. The following additional risk factors, the risk factors set forth in the Master Fund Memorandum and other relevant risks could have a material adverse effect on the Fund and the Shareholders' investments therein.

No Operating History. The Fund is a newly formed entity and does not have any operating history upon which prospective Shareholders can evaluate their anticipated performance.

Shareholders are not Master Fund Shareholders. The Fund will be a shareholder of the Master Fund, entitled to the rights of a Master Fund shareholder under applicable law and the Master Fund's governing documents. Shareholders, however, do not as a result of the Fund's investment in the Master Fund become Master Fund shareholders, and will not have rights as shareholders, of the Master Fund. Rather, Shareholders will have only their rights as Shareholders of the Fund under applicable law and the Articles of Association. As such, Shareholders will have little or no ability to assert direct claims against the Master Fund or Investment Manager, acting in such capacity.

Significant Fees and Expenses. The fees and expenses of the Fund may be significant. The Fund must generate sufficient income to offset such fees and expenses to avoid a decrease in the net asset value of the Fund.

Absence of Regulatory Oversight. The Fund and the Shares are not expected to be registered under the securities laws of the United States or any other jurisdiction other than the Cayman Islands. In particular, the Fund will not be registered as an investment company under the Company Act, and, therefore, will not be required to adhere to the restrictions and requirements under the Company Act. Accordingly, the provisions of the Company Act (which, among other things, require investment companies to have a majority of disinterested directors, require securities to be held in custody by a bank or broker in accordance with rules requiring the segregation of securities, prohibit the investment companies from engaging in certain transactions with its affiliates and regulate the relationship between advisers and investment companies) are not applicable.

The Fund is regulated as a mutual fund under the Mutual Funds Law. However, registration under the Mutual Funds Law does not involve an examination of the merits of the Fund or supervision of the investment performance of the Fund by the Cayman Islands government or the Monetary Authority. There is no financial obligation or compensation scheme imposed on or by the government of the Cayman Islands in favor of or available to the investors in the Fund.

Investment in Bitcoin. Other than cash held for working capital purposes, the Master Fund will invest solely in Bitcoin, which are a new and highly speculative asset. Accordingly, as described in the section entitled "Certain Risk Factors" in the Master Fund Memorandum, the risk factors relating to Bitcoin will apply to the Fund directly (to the extent that the Fund directly holds Bitcoin) or indirectly (to the extent that the Fund does not directly hold Bitcoin). While all investments risk the loss of capital, investments in Bitcoin should be considered substantially more speculative and significantly more likely to result in a total loss of capital than most other investment funds since the investment characteristics of virtual cryptocurrency generally, and of Bitcoin specifically, differ from those of traditional currencies, commodities or securities. For example, Bitcoin is not backed by a central bank or a national, supra-national or quasi-national organization, any hard assets, human capital, or other form of credit. Rather, it is market-based: Bitcoin's value is determined by (and fluctuates often, according to) supply and demand factors, the number of merchants that accept it, and the value that various market participants place on it through their mutual agreement, barter or transactions.

Advisory Committee. As discussed in the Master Fund Memorandum and herein, the Fund and/or the Master Fund, in the Investment Manager's discretion, may establish an Advisory Committee, composed of representatives of certain shareholders of the Fund and/or the Master Fund, as applicable, to review certain matters in respect of the Fund and/or the Master Fund, as applicable, and decisions of the Investment Manager, including certain potential conflicts of interest referred to it by the Investment Manager, and certain matters under the Advisers Act. The Advisory Committee will act by majority vote.

Certain transactions that involve conflicts of interest, including principal trades, may be submitted to the Advisory Committee. However, the Advisory Committee will not necessarily represent the interests of all the Shareholders and the members of the Advisory Committee may themselves be subject to various conflicts of interest (including as investors in other entities related to or advised by the Investment Manager). In general, the Shareholders will not be entitled to control the selection of Advisory Committee members or to review the actions or deliberations of the Advisory Committee. In addition, Advisory Committee members have no fiduciary obligations to the Fund, the Master Fund or their Shareholders other than to act in good faith and, therefore, Advisory Committee members may take into consideration their own interests in a particular matter and are not required to take into consideration the interests of the Fund, the Master Fund or any of the other Shareholders.

In-Kind Payments. Although the Fund intends to pay redemptions in U.S. dollars (i.e., real currency), the Investment Manager may, in its sole discretion, determine to pay redemptions in Bitcoin, in whole or in part (to the extent received by the Fund from the Master Fund), if the Investment Manager determines that doing so is in the best interests of the Fund or the Master Fund, or addresses a specific need of the Fund or the Master Fund. There can be no assurance that the Master Fund will have sufficient cash to satisfy redemption requests, or that it will be able to liquidate investments at favorable prices at the time such redemptions are requested. Investments distributed in kind may not be readily marketable or saleable and may have to be held by Shareholders for an indefinite period of time, and may include interests in special purpose vehicles established by the Master Fund for tax, regulatory or other reasons. The risk of loss and delay and expense relating to liquidating or transferring these securities will be borne by such Shareholders, with the result that such Shareholders may receive less cash than they would have otherwise received on the date of redemptions. Shareholders have no right to request in-kind distributions, and should not expect the Fund or the Master Fund to accommodate any such request. Notwithstanding the foregoing, in the event that the Investment Manager determines to accept an in-kind contribution of Bitcoin from a Shareholder, such Shareholder may request that its redemption request be satisfied in-kind and the Fund and the Master Fund will make an in-kind distribution in respect of such redemption request; provided, that the Fund and the Master Fund are not restricted from doing so under applicable law or regulation, that the distribution is

made to the same person that made the contribution, and subject to the limitations on redemptions set forth herein.

Systems and Operational Risks. The Fund and the Master Fund depend on the Investment Manager to develop and implement appropriate systems for the Fund's and the Master Fund's activities. The Master Fund relies heavily and on a daily basis on financial, accounting and other data processing systems to execute, clear and settle transactions, to monitor its portfolio and capital, and to generate risk management and other reports that are critical to oversight of the Master Fund's activities. In addition, the Fund and/or the Master Fund rely on information systems to store sensitive information about the Fund, the Master Fund, the Investment Manager, their affiliates and the Shareholders. Certain of the Fund's, the Master Fund's and the Investment Manager's activities will be dependent upon systems operated by third parties, including the Administrator, market counterparties and other service providers, and the Investment Manager may not be in a position to verify the risks or reliability of such third-party systems. Failures in the systems employed by the Investment Manager, the Administrator, counterparties, exchanges and similar clearance and settlement facilities and other parties could result in mistakes made in the confirmation or settlement of transactions, or in transactions not being properly booked, evaluated or accounted for. In addition, despite the security measures established by the Investment Manager and third parties to safeguard the information in these systems, such systems may be vulnerable to attacks by hackers or breached due to employee error, malfeasance or other disruptions. Any such breach could compromise these systems and result in the theft, loss or public dissemination of the information stored therein. Disruptions in the Fund's or the Master Fund's operations or breach of the Fund's or the Master Fund's information systems may cause the Fund and the Master Fund to suffer, among other things, financial loss, the disruption of its business, liability to third parties, regulatory intervention or reputational damage. Any of the foregoing failures or disruptions could have a material adverse effect on the Fund, the Master Fund and the Shareholders' investments therein.

Side Letters. The Fund, and in certain cases the Investment Manager, will have the discretion to waive or modify the application of, or grant special or more favorable rights with respect to, any provision of this Memorandum or the Fund Documents to the extent permitted by applicable law. To effect such waivers or modifications or the grant of any special or more favorable rights, the Fund may create additional Tranches of Shares for certain Shareholders that provide for, among other things, (i) different or more favorable redemption rights, such as more frequent redemptions or shorter redemption notice periods, (ii) greater information than may be provided to other Shareholders, (iii) different fee or incentive compensation terms, (iv) more favorable transfer rights and (v) key-person notifications. Certain such waivers, modifications or grants of special or more favorable rights may also be effected by the Fund, and, in certain cases, the Investment Manager, through agreements ("Side Letters"). Although certain Shareholders may invest in the Fund with different material terms, the Fund and the Investment Manager generally will only offer such terms if they believe other Shareholders in the Fund will not be materially disadvantaged. The Fund may create additional Tranches of Shares, and the Fund, or in certain cases the Investment Manager, may enter into Side Letters with Shareholders without providing prior notice to, or receiving consent from, other Shareholders.

Conflicts Relating to the Directors of the Fund. The directors of the Fund are not required to devote their full time and attention to the business of the Fund and may serve as directors of other investment vehicles. Accordingly, to the extent that the interests of the Fund and such other investment vehicles are inconsistent, such directors may have a conflict of interest.

Diverse Investor Base. The Shareholders may have conflicting investment, tax and other interests with respect to their investments in the Fund. As a consequence, conflicts of interest may arise in connection with decisions made by the Investment Manager that may be more beneficial for one Shareholder than for another Shareholder. In operating the Fund, the Investment Manager will consider the investment and tax objectives of the Fund as a whole, not the investment, tax or other objectives of any Shareholder

individually. Consequently, the Investment Manager may make decisions from time to time that may be more beneficial to one type of Shareholder than another. For example, such decisions may (directly or indirectly) be more beneficial to Shareholders affiliated with the Investment Manager than to other Shareholders.

Master-Feeder Structure. The Fund invests its assets in the Master Fund in a master-feeder structure. The use of a "master-feeder" structure presents certain conflicts of interest. For example, different tax considerations applicable to the Fund and other direct investors in the Master Fund may result in the Master Fund structuring or disposing of an investment in a manner or at a time that is more advantageous (or disadvantageous) for tax purposes to the Fund or such direct investors in the Master Fund. In selecting and structuring investments appropriate for the Master Fund, the Investment Manager will consider the investment and tax objectives of the Fund (the Shareholders) and the direct investors in the Master Fund as a whole, not the investment, tax or other objectives of any Shareholder or direct investor in the Master Fund individually.

TAX ASPECTS

THE DISCUSSION HEREIN IS FOR INFORMATIONAL PURPOSES ONLY AND IS A DISCUSSION PRIMARILY OF THE U.S. TAX CONSEQUENCES TO PROSPECTIVE INVESTORS. EACH PROSPECTIVE INVESTOR SHOULD CONSULT ITS PROFESSIONAL TAX ADVISOR WITH RESPECT TO THE TAX ASPECTS OF AN INVESTMENT IN THE FUND. TAX CONSEQUENCES MAY VARY DEPENDING UPON THE PARTICULAR STATUS OF A PROSPECTIVE INVESTOR. IN ADDITION, SPECIAL CONSIDERATIONS (NOT DISCUSSED HEREIN) MAY APPLY TO PERSONS WHO ARE NOT DIRECT SHAREHOLDERS IN THE FUND BUT WHO ARE DEEMED TO OWN SHARES AS A RESULT OF THE APPLICATION OF CERTAIN ATTRIBUTION RULES.

Neither the Fund nor the Master Fund has sought a ruling from the Service or any other U.S. federal, state or local agency with respect to any of the tax issues affecting the Fund or the Master Fund, nor has either obtained an opinion of counsel with respect to any tax issues.

The following is a summary of certain potential U.S. federal tax consequences which may be relevant to prospective investors. The discussion contained herein is not a full description of the complex tax rules involved and is based upon existing laws, judicial decisions and administrative regulations, rulings and practices, all of which are subject to change, retroactively as well as prospectively. A decision to invest in the Fund should be based upon an evaluation of the merits of the trading program, and not upon any anticipated U.S. tax benefits.

Virtual Currency Tax Implications

On March 25, 2014, the Internal Revenue Service (the "Service") issued a notice regarding certain U.S. federal tax implications of transactions in, or transactions that use, virtual currency (the "Notice"). According to the Notice, virtual currency is treated as property, not currency, for U.S. federal tax purposes, and "[g]eneral tax principles applicable to property transactions apply to transactions using virtual currency." In part, the Notice provides that the character of gain or loss from the sale or exchange of virtual currency depends on whether the virtual currency is a capital asset in the hands of the taxpayer. Accordingly, in the U.S., certain transactions in virtual currency are taxable events and subject to information reporting to the Service to the same extent as any other payment made in property.

Although the Service has issued the Notice, the U.S. Department of Treasury and the Service, may publish future guidance that provides for adverse tax consequences to the Fund and investors in the Fund. Shareholders should be aware that tax laws and Regulations change on an ongoing basis, and that they may be changed with retroactive effect. Moreover, the interpretation and application of tax laws and regulations by certain tax authorities may not be clear, consistent or transparent. As a result, the U.S. Federal tax consequences of investing in the Fund are uncertain.

U.S. Trade or Business

Section 882(a) of the Code provides that a Non-U.S. corporation that is engaged in trade or business within the United States is taxed on any of its income that is considered effectively connected with the conduct of a trade or business within the United States. The Fund (which intends to operate as an association taxable as a corporation for U.S. tax purposes) and the Master Fund (which intends to operate as a partnership for U.S. tax purposes, in which case it would not, in general, be subject to U.S. income tax (see, however, "U.S. Partnership Tax Audit Risk" below)) intend to conduct their activities in a manner so as to not be considered engaged in the conduct of a trade or business within the United States. However,

there can be no assurance that the Service will agree that the activities of the Fund and the Master Fund do not constitute a trade or business of trading in virtual currency.

Section 864(b)(2) of the Internal Revenue Code provides a safe harbor (the "Safe Harbor") applicable to a non-U.S. corporation (other than a dealer in securities) that engages in the U.S. in trading securities (including contracts or options to buy or sell securities) for its own account pursuant to which such non-U.S. corporation will not be deemed to be engaged in a U.S. trade or business. The Safe Harbor also provides that a non-U.S. corporation (other than a dealer in commodities) that engages in the U.S. in trading commodities for its own account is not deemed to be engaged in a U.S. trade or business if "the commodities are of a kind customarily dealt in on an organized commodity exchange and if the transaction is of a kind customarily consummated at such place." Pursuant to proposed regulations, a non-U.S. taxpayer (other than a dealer in stocks, securities, commodities or derivatives) that effects transactions in the United States in derivatives (including (i) derivatives based upon stocks, securities, and certain commodities and currencies, and (ii) certain notional principal contracts based upon an interest rate, equity, or certain commodities and currencies) for its own account is not deemed to be engaged in a United States trade or business. Although the proposed regulations are not final, the Service has indicated in the preamble to the proposed regulations that for periods prior to the effective date of the proposed regulations, taxpayers may take any reasonable position with respect to the application of Section 864(b)(2) of the Internal Revenue Code to derivatives, and that a position consistent with the proposed regulations will be considered a reasonable position.

As described above, the Notice provides that virtual currency is considered "property" for U.S. federal income tax purposes. However, there is no guidance on whether or not a non-U.S. corporation that is trading in virtual currency for its own account can meet the requirements of the Safe Harbor. Accordingly, even if the Service were to assert that the activities of the Fund and the Master Fund do constitute a trade or business of trading in virtual currency, it is possible that such trading could satisfy the requirements of the Safe Harbor.

The Fund and the Master Fund do not expect to be engaged in a U.S. trade or business and, except in the limited circumstances discussed below, and as such the Fund does not expect to be subject to the regular U.S. income tax on any of its or the Master Fund's trading profits. However, if the Fund or the Master Fund were determined to be engaged in a U.S. trade or business, the Fund would be subject to U.S. income and branch profits tax on its allocable share of the income and gain from those activities.

U.S. Withholding Tax

In general, under Section 881 of the Internal Revenue Code, a non-U.S. corporation which does not conduct a U.S. trade or business is nonetheless subject to tax at a flat rate of 30% (or lower tax treaty rate) on the gross amount of certain U.S. source income which is not effectively connected with a U.S. trade or business, generally payable through withholding. Income subject to such a flat tax rate is of a fixed or determinable annual or periodic nature, including dividends, certain "dividend equivalent payments" (including, without limitation, payments made under certain notional principal contracts that reference a U.S. dividend-paying equity) and certain interest income. In some cases, dividend income subject to such tax can be imputed to holders of certain equity interests or equity derivative instruments, such as options or convertible debt, as a result of an adjustment by the issuing corporation to the exercise or conversion ratio, or as a result of other corporate action which has the effect of increasing a holder's interest in the earnings and profits, or assets of the issuing corporation. There is presently no tax treaty between the U.S. and the Cayman Islands.

Certain types of income are specifically exempted from the 30% tax and thus withholding is not required on payments of such income to a non-U.S. corporation. The 30% tax does not apply to U.S.

source capital gains (whether long or short-term) or to interest paid to a non-U.S. corporation on its deposits with U.S. banks. The 30% tax also does not apply to interest which qualifies as portfolio interest. The term "portfolio interest" generally includes interest (including original issue discount but not including contingent interest) on an obligation in registered form which has been issued after July 18, 1984 and with respect to which the person who would otherwise be required to deduct and withhold the 30% tax receives the required statement that the beneficial owner of the obligation is not a U.S. person within the meaning of the Internal Revenue Code. However, interest will not qualify for the "portfolio interest" exemption, and will be subject to a 30% withholding tax, if the interest is paid to a non-U.S. person by a corporation in which such non-U.S. person owns at least 10% of the total combined voting power, or by a partnership in which such non-U.S. person owns at least 10% of the capital or profits interest.

Identity and Reporting of Beneficial Ownership; Withholding on Certain Payments

In order to avoid a U.S. withholding tax of 30% on certain payments (including payments of gross proceeds) made with respect to certain actual and deemed U.S. investments, the Fund and the Master Fund generally will be required to timely register with the Service, and agree to identify, and report information with respect to, certain direct and indirect U.S. account holders (including debtholders and equityholders). The Cayman Islands has signed a Model 1B (non-reciprocal) inter-governmental agreement with the United States (the "US IGA") to give effect to the foregoing withholding and reporting rules. So long as the Fund and the Master Fund comply with the US IGA and the Cayman Islands enabling legislation, they will not be subject to the related U.S. withholding tax.

A non-U.S. investor in the Fund will generally be required to provide to the Fund information which identifies its direct and indirect U.S. ownership. Under the US IGA, any such information provided to the Fund and certain financial information related to such investor's investment in the Fund will be shared with the Cayman Islands Tax Information Authority or its delegate (the "Cayman TIA"). The Cayman TIA will exchange the information reported to it with the Service annually on an automatic basis. A non-U.S. investor that is a "foreign financial institution" within the meaning of Section 1471(d)(4) of the Internal Revenue Code will generally be required to timely register with the Service and agree to identify, and report information with respect to, certain of its own direct and indirect U.S. account holders (including debtholders and equityholders). A non-U.S. investor who fails to provide such information to the Fund or timely register and agree to identify, and report information with respect to, such account holders (as applicable) may be subject to the 30% withholding tax with respect to its share of any such payments attributable to actual and deemed U.S. investments of the Fund, and the Board of Directors may take any action in relation to an investor's Shares or redemption proceeds to ensure that such withholding is economically borne by the relevant investor whose failure to provide the necessary information or comply with such requirements gave rise to the withholding. Shareholders should consult their own tax advisors regarding the possible implications of these rules on their investments in the Fund.

Non-U.S. Shareholders may also be required to make certain certifications to the Fund as to the beneficial ownership of the Shares and the non-U.S. status of such beneficial owner, in order to be exempt from U.S. information reporting and backup withholding on a redemption of Shares.

U.S. Partnership Tax Audit Risk

The Master Fund, which intends to be treated as a partnership for U.S. tax purposes, may be required to file a tax return with the Service. If the tax returns of the Master Fund are audited by the Service, the U.S. tax treatment of the Master Fund's income and deductions generally is determined at the Master Fund level.

Under the general rule, an audit adjustment of the Master Fund's U.S. tax return filed or required to be filed for any tax year (a "Prior Year") could result in a tax liability (including interest and penalties) imposed on the Master Fund for the year during which the adjustment is determined (the "Current Year"). The tax liability generally is determined by using the highest tax rates under the Internal Revenue Code applicable to U.S. taxpayers, in which case the Fund and any other Current Year partners of the Master Fund would bear the audit tax liability at significantly higher rates (including interest and penalties) arising from audit adjustments and in amounts that are unrelated to their Prior Year economic interests in the Master Fund partnership items that were adjusted. The Master Fund may be able to use a lower tax rate to compute the tax liability by taking into account the fact that the Fund is generally not expected to be subject to U.S. tax on most, if not all, of its share of the Master Fund's income. However, the details of how this rule will be implemented are not yet known, and there can be no guarantee that the Master Fund would be able to use a lower tax rate to calculate the tax liability for any particular Prior Year under audit.

To mitigate the potential adverse consequences of the general rule, the Master Fund may be able to elect with the Service to pass through such audit adjustments for any year to its members who participated in the Master Fund for the Prior Year, in which case the Fund and each Prior Year participating member (and not the Master Fund itself) generally would be responsible for the payment of any tax deficiency, determined after including their share of the adjustments on their tax returns for the Current Year and calculated, in the case of the Fund, using the tax rates generally applicable to non-U.S. entities such as the Fund.* The Fund may also be able to mitigate such adverse consequences by, after the audit adjustments are made, filing an amended U.S. tax return for the Prior Year and paying tax, if any, on its share of the items adjusted on audit. In certain situations, U.S. Persons who are not Tax-Exempt U.S. Persons and (i) make a "qualified electing fund" election with respect to the Fund (see "U.S. Persons that are not Tax-Exempt U.S. Persons" below) or (ii) own at least 10% of the voting power or value of the Fund's Shares, would be responsible for the tax liability even if the Fund was not otherwise subject to tax on the adjustment. The extent to which the Fund and/or the Master Fund will be able to mitigate the operation of the general rule under either of these alternatives is uncertain and may depend upon future regulatory guidance and amendments to the legislation.

Redemption of Shares

Gain realized by Shareholders who are not U.S. persons within the meaning of the Internal Revenue Code ("non-U.S. Shareholders") upon the sale, exchange or redemption of Shares held as a capital asset should generally not be subject to U.S. federal income tax provided that the gain is not effectively connected with the conduct of a trade or business in the U.S. However, in the case of nonresident alien individuals, such gain will be subject to the 30% (or lower tax treaty rate) U.S. tax if (i) such person is present in the U.S. for 183 days or more during the taxable year (on a calendar year basis unless the nonresident alien individual has previously established a different taxable year) and (ii) such gain is derived from U.S. sources.

Generally, the source of gain upon the sale, exchange or redemption of Shares is determined by the place of residence of the Shareholder. For purposes of determining the source of gain, the Internal Revenue Code defines residency in a manner that may result in an individual who is otherwise a nonresident alien with respect to the U.S. being treated as a U.S. resident only for purposes of determining the source of income. Each potential individual Shareholder who anticipates being present in the U.S. for 183 days or more (in any taxable year) should consult his tax advisor with respect to the possible application of this rule.

* If such an election is made by the Master Fund, interest on any deficiency will be at a rate that is 2 percentage points higher than the otherwise applicable interest rate on tax underpayments.

Gain realized by a non-U.S. Shareholder engaged in the conduct of a U.S. trade or business will be subject to U.S. federal income tax upon the sale, exchange or redemption of Shares if such gain is effectively connected with its U.S. trade or business.

Tax-Exempt U.S. Persons

The term "Tax-Exempt U.S. Person" means a U.S. person within the meaning of the Internal Revenue Code that is exempt from payment of U.S. federal income tax. Generally, a Tax-Exempt U.S. Person is exempt from federal income tax on certain categories of income, such as dividends, interest, capital gains and similar income realized from securities investment or trading activity. This type of income is exempt even if it is realized from securities trading activity which constitutes a trade or business. This general exemption from tax does not apply to the "unrelated business taxable income" ("UBTI") of a Tax-Exempt U.S. Person. Generally, except as noted above with respect to certain categories of exempt trading activity, UBTI includes income or gain derived from a trade or business, the conduct of which is substantially unrelated to the exercise or performance of the Tax-Exempt U.S. Person's exempt purpose or function. UBTI also includes (i) income derived by a Tax-Exempt U.S. Person from debt-financed property and (ii) gains derived by a Tax-Exempt U.S. Person from the disposition of debt-financed property.

In 1996, Congress considered whether, under certain circumstances, income derived from the ownership of the shares of a non-U.S. corporation should be treated as UBTI to the extent that it would be so treated if earned directly by the shareholder. Subject to a narrow exception for certain insurance company income, Congress declined to amend the Internal Revenue Code to require such treatment. Accordingly, based on the principles of that legislation, a Tax-Exempt U.S. Person investing in a non-U.S. corporation such as the Fund is not expected to realize UBTI with respect to an unleveraged investment in Shares. Tax-Exempt U.S. Persons are urged to consult their own tax advisors concerning the U.S. tax consequences of an investment in the Fund.

There are special considerations which should be taken into account by certain beneficiaries of charitable remainder trusts that invest in the Fund. Charitable remainder trusts should consult their own tax advisors concerning the tax consequences of such an investment on their beneficiaries.

U.S. Persons that are not Tax-Exempt U.S. Persons

The Fund will be classified as a passive foreign investment company ("PFIC") for federal income tax purposes. In addition, it is possible that the Fund will be a controlled foreign corporation ("CFC"). Under the PFIC rules, U.S. persons within the meaning of the Internal Revenue Code that are not Tax-Exempt U.S. Persons ("Non Tax-Exempt U.S. Persons") are subject to U.S. federal income taxation with respect to their investment in the Fund under one of three methods. Under the "interest charge" method, a Non Tax-Exempt U.S. Person is generally liable for tax (at ordinary income rates) plus an interest charge reflecting the deferral of tax liability (which is not deductible by an individual) when it pledges or sells its Shares at a gain or receives certain distributions from the Fund. Furthermore, the estate of a deceased individual Non Tax-Exempt U.S. Person will be denied a tax-free "step-up" in the tax basis to fair market value for Shares held by that deceased individual that were subject to the "interest charge" method.

Alternatively, a Non Tax-Exempt U.S. Person can make an election under the PFIC rules to have the Fund treated as a qualified electing fund ("QEF") with respect to its Shares. A Shareholder that has made the QEF election, which may only be revoked with the consent of the Service, is generally taxed currently on its proportionate share of the ordinary earnings and net long-term capital gains of the Fund, whether or not the earnings or gains are distributed. In addition, Fund expenses, if any, that are properly capitalized will not be deductible for purposes of calculating the income included as a result of the QEF election. If the PFIC realizes a net loss in a particular year, under the QEF rules, that loss will not pass

through to the Non Tax-Exempt U.S. Person nor will it be netted against the income of any other PFIC with respect to which a QEF election has been made. Moreover, the loss also cannot be carried forward to reduce inclusions of income with respect to the PFIC in subsequent years. Instead, a Non Tax-Exempt U.S. Person would only realize the loss in calculating its gain or loss when it disposes of its shares in the PFIC. A Non Tax-Exempt U.S. Person should also note that under the QEF rules, it may be taxed on income related to unrealized appreciation in the PFIC's assets attributable to periods prior to the investor's investment in the PFIC if such amounts are recognized by the PFIC after the investor acquires Shares. Moreover, any net short-term capital gains of the PFIC will not pass through as capital gains, but will be taxed as ordinary income. In order for a Shareholder to be eligible to make a QEF election, the Fund would have to agree to provide certain tax information to such Shareholder on an annual basis.

Finally, if the Fund's Shares are considered "marketable", a Non Tax-Exempt U.S. Person would be able to elect to mark its Shares to market at the end of every year. Any such mark to market gain or loss would be considered ordinary. Ordinary mark to market losses would only be allowed to the extent of prior mark to market gains. However, as a result of the definition of "marketable" adopted in regulations, the Fund does not anticipate that the Shares would be eligible for the mark to market election, except with respect to investments in the Fund by certain types of entities, including regulated investment companies.

Even though the PFIC rules apply, if the Fund is also a CFC, other rules could apply in addition to the PFIC rules that could cause a Non Tax-Exempt U.S. Person to (i) recognize taxable income prior to his or her receipt of distributable proceeds or (ii) recognize ordinary taxable income that would otherwise have been treated as long-term or short-term capital gain. Furthermore, the calculation of (a) "net investment income" for purposes of the 3.8% Medicare tax and (b) taxable income for purposes of the regular income tax may be different with respect to certain income, including income from PFICs and CFCs. In addition, the Medicare tax and the regular income tax may be due in different taxable years with respect to the same income. The application of the Medicare tax (and the availability of particular elections) is quite complex. Investors are urged to consult their tax advisors regarding the consequences of these rules in respect of their investments.

INASMUCH AS NON TAX-EXEMPT U.S. PERSONS ARE SUBJECT TO POTENTIALLY ADVERSE TAX CONSEQUENCES IF THEY INVEST IN THE FUND AND THE FOREGOING SUMMARY IS ONLY A BRIEF OVERVIEW OF HIGHLY COMPLEX RULES, SUCH POTENTIAL INVESTORS ARE STRONGLY URGED TO CONSULT WITH THEIR OWN TAX ADVISORS BEFORE INVESTING IN THE FUND.

Reporting Requirements for U.S. Persons

Any United States person within the meaning of the Internal Revenue Code who holds shares in a PFIC such as the Fund (other than certain Tax-Exempt U.S. Persons for whom an investment in such PFIC does not generate UBTI) is generally required to report its investment in the PFIC on an annual basis. Furthermore, such persons who are (i) individuals or (ii) certain closely held U.S. entities where at least 50% of such entities' assets are, or at least 50% of their gross income comes from, passive assets such as an investment in the Fund, will generally be required to make additional tax filings if their aggregate investment in certain non-U.S. financial assets (including interests in entities such as the Fund) exceeds \$50,000. Such filing requirements may be extended to additional U.S. entities who are deemed to be formed or availed for the purpose of making investments in non-U.S. entities such as the Fund.

Any U.S. person within the meaning of the Internal Revenue Code owning 10% or more (taking certain attribution rules into account) of either the total combined voting power or total value of all classes of the shares (the "10% Amount") of a non-U.S. corporation such as the Fund will likely be required to file an information return with the Service containing certain disclosure concerning the filing shareholder,

other shareholders and the corporation. Any U.S. person within the meaning of the Internal Revenue Code who within such U.S. person's tax year (A) acquires shares in a non-U.S. corporation such as the Fund, so that either (i) without regard to shares already owned, such U.S. person acquires the 10% Amount or (ii) when added to shares already owned by the U.S. person, such U.S. person's total holdings in the non-U.S. corporation reaches the 10% Amount or (B) disposes of shares in a non-U.S. corporation so that such U.S. person's total holdings in the non-U.S. corporation falls below the 10% Amount (in each such case, taking certain attribution rules into account), will likely be required to file an information return with the Service containing certain disclosure concerning the filing shareholder, other shareholders and the corporation. The Fund has not committed to provide all of the information about the Fund or its shareholders needed to complete these returns. In addition, a U.S. person within the meaning of the Internal Revenue Code that transfers cash to a non-U.S. corporation such as the Fund will likely be required to report the transfer to the Service if (i) immediately after the transfer, such person holds (directly, indirectly or by attribution) at least 10% of the total voting power or total value of such corporation or (ii) the amount of cash transferred by such person (or any related person) to such corporation during the twelve-month period ending on the date of the transfer exceeds \$100,000.

Certain U.S. persons ("potential filers") who have an interest in a foreign financial account during a calendar year are generally required to file FinCEN Form 114 (an "FBAR") with respect to such account. Failure to file a required FBAR may result in civil and criminal penalties. Under existing regulatory guidance, potential filers who do not own (directly or indirectly) more than 50% of the voting power or total value of the shares of the Fund, generally are not obligated to file an FBAR with respect to an investment in the Fund. However, potential filers should consult their own advisors regarding the current status of this guidance.

Furthermore, certain U.S. persons within the meaning of the Internal Revenue Code may have to file Form 8886 ("Reportable Transaction Disclosure Statement") with their U.S. tax return, and submit a copy of Form 8886 with the Office of Tax Shelter Analysis of the Service if the Fund engages in certain "reportable transactions" within the meaning of U.S. Treasury Regulations. If the Service designates a transaction as a reportable transaction after the filing of a reporting Shareholder's tax return for the year in which the Fund or such reporting Shareholder participated in the transaction, the reporting Shareholder may have to file Form 8886 with respect to that transaction within 90 days after the Service makes the designation. Shareholders required to file this report include a U.S. person within the meaning of the Internal Revenue Code if either (1) the Fund is treated as a CFC and such U.S. person owns a 10% voting interest or 10% of the total value of the Fund's shares or (2) such U.S. person owns 10% (by vote or value) of the Fund and makes a QEF election with respect to the Fund. In certain situations, there may also be a requirement that a list be maintained of persons participating in such reportable transactions, which could be made available to the Service at its request. Moreover, if a U.S. person within the meaning of the Internal Revenue Code recognizes a loss upon a disposition of Shares, such loss could constitute a "reportable transaction" for such Shareholder, and such Shareholder would be required to file Form 8886. A significant penalty is imposed on taxpayers who fail to make the required disclosure. The maximum penalty is \$10,000 for natural persons and \$50,000 for other persons (increased to \$100,000 and \$200,000, respectively, if the reportable transaction is a "listed" transaction). Shareholders who are U.S. persons within the meaning of the Internal Revenue Code (including Tax-Exempt U.S. Persons) are urged to consult their own tax advisors concerning the application of these reporting obligations to their specific situations and the penalty discussed above.

Estate and Gift Taxes

Individual holders of Shares who are neither present or former U.S. citizens nor U.S. residents (as determined for U.S. estate and gift tax purposes) are not subject to U.S. estate and gift taxes with respect to their ownership of such Shares.

Cayman Islands

There are no income, corporation, capital gains or other taxes in effect in the Cayman Islands on the basis of present legislation. The Fund and the Master Fund are exempted companies under Cayman Islands law. The Fund and the Master Fund have made applications to the Financial Secretary of the Cayman Islands for, and expect to receive, undertakings as to tax concessions pursuant to Section 6 of the Tax Concessions Law (1999 Revision) which will provide that, for a period of 20 years from the date of issue of the undertaking, no law thereafter enacted in the Cayman Islands imposing any taxes to be levied on profits, income, gains or appreciation will apply to the Fund, the Master Fund or their operations. No capital or stamp duties are levied in the Cayman Islands on the issue, transfer or redemption of Shares or shares of the Master Fund. An annual registration fee will be payable by the Fund and the Master Fund to the Cayman Islands government which will be calculated by reference to the nominal amount of their respective authorized capital.

Cayman Islands – Automatic Exchange of Financial Account Information

The Cayman Islands has signed an inter-governmental agreement to improve international tax compliance and the exchange of information with the United States (the "US IGA"). The Cayman Islands has also signed, along with over 100 other countries, a multilateral competent authority agreement to implement the Organisation for Economic Cooperation and Development's Standard for Automatic Exchange of Financial Account Information – Common Reporting Standard (the "CRS" and together with the US IGA, "AEOI").

The Cayman Islands has issued regulations to give effect to the AEOI regime (the "AEOI Regulations"). Pursuant to the AEOI Regulations, the Cayman TIA has published guidance notes on the application of the US IGA and the CRS.

All Cayman Islands "Financial Institutions" are required to comply with the registration, due diligence and reporting requirements of the AEOI Regulations, unless they are able to rely on an exemption that allows them to become a "Non-Reporting Financial Institution" (as defined in the relevant AEOI Regulations) with respect to one or more of the AEOI regimes, in which case only the registration requirement would apply under the CRS. The Fund and the Master Fund do not propose to rely on any reporting exemption and therefore intend to comply with the requirements of the AEOI Regulations.

The AEOI Regulations require each of the Fund and the Master Fund to, amongst other things, (i) register with the Service; (ii) register with the Cayman TIA, and thereby notify the Cayman TIA of its status as a "Reporting Financial Institution"; (iii) adopt and implement written policies and procedures setting out how it will address its obligations under the CRS; (iv) conduct due diligence on its accounts to identify whether any such accounts are considered "Reportable Accounts"; and (v) annually report information on such Reportable Accounts to the Cayman TIA. The Cayman TIA will transmit the information reported to it to the overseas fiscal authority relevant to a Reportable Account (e.g., the Service in the case of a U.S. Reportable Account) annually on an automatic basis.

For details on the related U.S. tax withholding and reporting regime, see "*Identity and Reporting of Beneficial Ownership; Withholding on Certain Payments*" above.

By investing in the Fund and/or continuing to invest in the Fund, investors shall be deemed to acknowledge that further information may need to be provided to the Fund, the Fund's compliance with the AEOI Regulations may result in the disclosure of investor information, and investor information may be exchanged with overseas fiscal authorities. Where an investor fails to provide any requested information

(regardless of the consequences), the Fund reserves the right to take any action and/or pursue all remedies at its disposal including, without limitation, compulsory redemption of the investor concerned.

Other Jurisdictions

Interest, dividend and other income realized by the Fund or the Master Fund from non-U.S. sources, and capital gains realized, or gross sale or disposition proceeds received, on the sale of securities of non-U.S. issuers, may be subject to withholding and other taxes levied by the jurisdiction in which the income is sourced. It is impossible to predict the rate of foreign tax the Fund or the Master Fund will pay since the amount of the assets to be invested in various countries and the ability of the Fund or the Master Fund to reduce such taxes, are not known.

Future Changes in Applicable Law

The foregoing description of U.S. and Cayman Islands income tax consequences of an investment in and the operations of the Fund and the Master Fund is based on laws and regulations which are subject to change through legislative, judicial or administrative action. Other legislation could be enacted that would subject the Fund or the Master Fund to income taxes or subject investors to increased income taxes.

Other Taxes

Prospective investors should consult their own counsel regarding tax laws and regulations of any other jurisdiction which may be applicable to them.

THE TAX AND OTHER MATTERS DESCRIBED IN THIS MEMORANDUM DO NOT CONSTITUTE, AND SHOULD NOT BE CONSIDERED AS, LEGAL OR TAX ADVICE TO PROSPECTIVE INVESTORS.

ERISA CONSIDERATIONS

The following summary of certain aspects of ERISA is based upon ERISA, judicial decisions, U.S. Department of Labor ("DOL") regulations and rulings in existence on the date hereof. This summary is general in nature and does not address every ERISA issue that may be applicable to the Fund, the Master Fund or a particular investor. Accordingly, each prospective investor should consult with its own counsel in order to understand the ERISA issues affecting the Fund, the Master Fund and the investor.

General

Persons who are fiduciaries with respect to a U.S. employee benefit plan or trust within the meaning of and subject to the provisions of ERISA (an "ERISA Plan"), an individual retirement account or a Keogh plan subject solely to the provisions of the Internal Revenue Code* (an "Individual Retirement Fund") should consider, among other things, the matters described below before determining whether to invest in the Fund (and thus the Master Fund).

ERISA imposes certain general and specific responsibilities on persons who are fiduciaries with respect to an ERISA Plan, including prudence, diversification, avoidance of prohibited transactions and compliance with other standards. In determining whether a particular investment is appropriate for an ERISA Plan, DOL regulations provide that a fiduciary of an ERISA Plan must give appropriate consideration to, among other things, the role that the investment plays in the ERISA Plan's portfolio, taking into consideration whether the investment is designed reasonably to further the ERISA Plan's purposes, the risk and return factors of the potential investment, the portfolio's composition with regard to diversification, the liquidity and current return of the total portfolio relative to the anticipated cash flow needs of the ERISA Plan, the projected return of the total portfolio relative to the ERISA Plan's funding objectives, and the limitation on the rights of Shareholders to redeem all or a portion of their Shares or to transfer their Shares. Before investing the assets of an ERISA Plan in the Fund (and thus the Master Fund), a fiduciary should determine whether such an investment is consistent with its fiduciary responsibilities and the foregoing regulations. For example, a fiduciary should consider whether an investment in the Fund (and thus the Master Fund) may be too illiquid or too speculative for a particular ERISA Plan and whether the assets of the ERISA Plan would be sufficiently diversified. If a fiduciary with respect to any such ERISA Plan breaches its responsibilities with regard to selecting an investment or an investment course of action for such ERISA Plan, the fiduciary may be held personally liable for losses incurred by the ERISA Plan as a result of such breach.

Plan Assets Defined

ERISA and applicable DOL regulations describe when the underlying assets of an entity in which "benefit plan investors", as defined in Section 3(42) of ERISA and any regulations promulgated thereunder ("Benefit Plan Investors"), invest are treated as "plan assets" for purposes of ERISA. Under ERISA, the term Benefit Plan Investors is defined to include an "employee benefit plan" that is subject to the provisions of Title I of ERISA, a "plan" that is subject to the prohibited transaction provisions of Section 4975 of the Internal Revenue Code, and entities the assets of which are treated as "plan assets" by reason of investment therein by Benefit Plan Investors.

Under ERISA, as a general rule, when an ERISA Plan invests assets in another entity, the ERISA Plan's assets include its investment, but do not, solely by reason of such investment, include any of the underlying assets of the entity. However, when an ERISA Plan acquires an "equity interest" in an entity that is neither: (a) a "publicly offered security"; nor (b) a security issued by an investment fund registered

* References hereinafter made to ERISA include parallel references to the Internal Revenue Code.

under the Company Act, then the ERISA Plan's assets include both the equity interest and an undivided interest in each of the underlying assets of the entity, unless it is established that: (i) the entity is an "operating company"; or (ii) the equity participation in the entity by Benefit Plan Investors is limited.

Under ERISA, the assets of an entity will not be treated as "plan assets" if Benefit Plan Investors hold less than 25% (or such greater percentage as may be specified in regulations promulgated by the DOL) of the value of each class of equity interests in the entity. Equity interests held by a person with discretionary authority or control with respect to the assets of the entity and equity interests held by a person who provides investment advice for a fee (direct or indirect) with respect to such assets or any affiliate of any such person (other than a Benefit Plan Investor) are not considered for purposes of determining whether the assets of an entity will be treated as "plan assets" for purposes of ERISA. The Benefit Plan Investor percentage of ownership test applies at the time of an acquisition by any person of the equity interests. In addition, an advisory opinion of the DOL takes the position that a redemption of an equity interest by an investor constitutes the acquisition of an equity interest by the remaining investors (through an increase in their percentage ownership of the remaining equity interests), thus triggering an application of the Benefit Plan Investor percentage of ownership test at the time of the redemption.

Limitation on Investments by Benefit Plan Investors

It is the current intent of the Investment Manager to monitor the investments in each of the Fund and the Master Fund to ensure that the aggregate investment by Benefit Plan Investors does not equal or exceed 25% (or such greater percentage as may be specified in regulations promulgated by the DOL) of the value of any class of equity interests in each of the Fund and the Master Fund so that assets of neither the Fund nor the Master Fund will be treated as "plan assets" under ERISA. Equity interests held by the Investment Manager or its affiliates (other than a Benefit Plan Investor) are not considered for purposes of determining whether the assets of the Fund or the Master Fund will be treated as "plan assets" for the purpose of ERISA. If the assets of the Fund, were treated as "plan assets" of a Benefit Plan Investor, the Investment Manager would be a "fiduciary" (as defined in ERISA and the Internal Revenue Code) with respect to each such Benefit Plan Investor and would be subject to the obligations and liabilities imposed on fiduciaries by ERISA. Similarly, if the assets of the Master Fund were treated as "plan assets" of a Benefit Plan Investor, the Investment Manager would be a "fiduciary" (as defined in ERISA and the Internal Revenue Code) with respect to each such Benefit Plan Investor and would be subject to the obligations and liabilities imposed on fiduciaries by ERISA. In such circumstances, the Fund (and/or the Master Fund, as appropriate) would be subject to various other requirements of ERISA and the Internal Revenue Code. In particular, the Fund (and/or the Master Fund, as appropriate) would be subject to rules restricting transactions with "parties in interest" and prohibiting transactions involving conflicts of interest on the part of fiduciaries which might result in a violation of ERISA and the Internal Revenue Code unless the Fund (and/or the Master Fund, as appropriate) obtained appropriate exemptions from the DOL allowing the Fund (and/or the Master Fund, as appropriate) to conduct its operations as described herein. As described above under "Summary of Terms—Redemptions—Required Redemptions", the Board of Directors may, in its sole discretion, compulsorily redeem all or any portion of a Shareholder's Shares, including, without limitation, to ensure compliance with the percentage limitation on investment in the Fund by Benefit Plan Investors as set forth above. Similar compulsory redemption terms apply to investors in the Master Fund. The Investment Manager reserves the right, however, to waive the percentage limitation on investment in the Fund (and indirect investment in the Master Fund) by Benefit Plan Investors and thereafter to comply with ERISA.

Representations by Plans

An ERISA Plan proposing to invest in the Fund (and thus the Master Fund) will be required to represent that it is, and any fiduciaries responsible for the ERISA Plan's investments are, aware of and

understand the Fund's and the Master Fund's investment objectives, policies and strategies, and that the decision to invest plan assets in the Fund (and thus the Master Fund) was made with appropriate consideration of relevant investment factors with regard to the ERISA Plan and is consistent with the duties and responsibilities imposed upon fiduciaries with regard to their investment decisions under ERISA.

Whether or not the assets of the Fund or the Master Fund are treated as "plan assets" for purposes of ERISA, an investment in the Fund (and thus the Master Fund) by an ERISA Plan is subject to ERISA. Accordingly, fiduciaries of ERISA Plans should consult with their own counsel as to the consequences under ERISA of an investment in the Fund (and thus the Master Fund).

ERISA Plans and Individual Retirement Funds Having Prior Relationships with the Investment Manager or its Affiliates

Certain prospective ERISA Plan and Individual Retirement Fund investors may currently maintain relationships with the Investment Manager or other entities that are affiliated with the Investment Manager. Each of such entities may be deemed to be a party in interest to, and/or a fiduciary of, any ERISA Plan or Individual Retirement Fund to which any of the Investment Manager or its affiliates provides investment management, investment advisory or other services. ERISA prohibits ERISA Plan assets to be used for the benefit of a party in interest and also prohibits an ERISA Plan fiduciary from using its position to cause the ERISA Plan to make an investment from which it or certain third parties in which such fiduciary has an interest would receive a fee or other consideration. Similar provisions are imposed by the Internal Revenue Code with respect to Individual Retirement Funds. ERISA Plan and Individual Retirement Fund investors should consult with counsel to determine if participation in the Fund (and thus the Master Fund) is a transaction that is prohibited by ERISA or the Internal Revenue Code.

Eligible Indirect Compensation

The disclosures set forth in this Memorandum constitute the Investment Manager's good faith efforts to comply with the disclosure requirements of Form 5500, Schedule C and allow for the treatment of its compensation as eligible indirect compensation.

Future Regulations and Rulings

The provisions of ERISA are subject to extensive and continuing administrative and judicial interpretation and review. The discussion of ERISA contained herein is, of necessity, general and may be affected by future publication of regulations and rulings. Potential investors should consult with their legal advisers regarding the consequences under ERISA of the acquisition and ownership of Shares.

REGULATORY MATTERS

Company Act Regulation

Neither the Fund nor the Master Fund is registered as an investment company under the Company Act.

Cayman Islands Data Protection Law

The Cayman Islands Government enacted the Data Protection Law, 2017 (the "DPL") on May 18, 2017. The DPL introduces legal requirements for the Fund and the Master Fund based on internationally accepted principles of data privacy, as described in greater detail in the Privacy Notice attached to the Subscription Agreement.

Each of the Fund and the Master Fund will be characterized as a data controller in respect of personal data. The Fund's and the Master Fund's affiliates and/or delegates, such as the Administrator and the Investment Manager, may act as data processors (or data controllers in their own right in some circumstances).

Oversight of the DPL is the responsibility of the Ombudsman's office of the Cayman Islands. Breach of the DPL by the Fund or the Master Fund could lead to enforcement action by the Ombudsman, including the imposition of remediation orders, monetary penalties or referral for criminal prosecution.

Anti-Money Laundering Regulations

Identity Verification. In order to comply with laws and regulations aimed at the prevention of money laundering and terrorist financing, the Fund is required to adopt and maintain anti-money laundering procedures and, accordingly, the Fund, or the Administrator on the Fund's behalf, may require subscribers to provide evidence to verify their identity, the identity of their beneficial owners and controllers (where applicable), and the source of funds.

The Fund, and the Administrator on the Fund's behalf, may request such information as is necessary to verify the identity of any Shareholder (including any subscriber or a transferee) and the identity of their beneficial owners and controllers (where applicable). Where the circumstances permit, the Fund, or the Administrator on the Fund's behalf, may be satisfied that full due diligence may not be required at subscription where a relevant exemption applies under applicable law. However, detailed verification information may be required prior to the payment of any proceeds from or any transfer of an interest in Shares.

In the event of delay or failure by a subscriber or Shareholder to produce any information required for verification purposes, the Fund, or the Administrator on the Fund's behalf, may (i) refuse to accept or delay the acceptance of a subscription; (ii) in the case of a transfer of Shares, refuse to register the relevant transfer of Shares; (iii) in the case of a subscription for Shares, refuse to allot the Shares subscribed for, in which event subscription moneys will be returned without interest to the account from which such moneys were originally debited; or (iv) cause the redemption of any such Shareholder from the Fund.

The Fund, and the Administrator on the Fund's behalf, also may refuse to make any redemption or dividend payment to a Shareholder if the Directors or the Administrator suspect or are advised that the payment of redemption or dividend proceeds to such Shareholder may be non-compliant

with applicable laws or regulations, or if such refusal is considered necessary or appropriate to ensure the compliance by the Fund or the Administrator with any applicable laws or regulations.

The Monetary Authority has a discretionary power to impose substantial administrative fines upon the Fund in connection with any breaches by the Fund of prescribed provisions of the Anti-Money Laundering Regulations (Revised) of the Cayman Islands, as amended and revised from time to time (the "AML Regulations"), and upon any Director or officer of the Fund who either consented to or connived in the breach, or to whose neglect the breach is proved to be attributable. To the extent any such administrative fine is payable by the Fund, the Fund will bear the costs of such fine and any associated proceedings.

Freezing Accounts. Each of the Fund and the Administrator reserves the right, and the Fund may be obligated, pursuant to any applicable anti-money laundering laws or the laws, regulations, and Executive Orders administered by the U.S. Department of Treasury's Office of Foreign Assets Control ("OFAC"), or other laws or regulations in any relevant jurisdiction (collectively, "AML/OFAC Obligations"), to "freeze the account" of a subscriber or Shareholder, either by (i) rejecting the subscription of a subscriber or Shareholder; (ii) segregating the assets in the account in compliance with applicable laws or regulations (including by way of compulsory redemption and automatic application of the proceeds of such compulsory redemption to a subscription for Shares of a separate class and/or series); (iii) declining any redemption request of a Shareholder; (iv) suspending payment of redemption proceeds to a Shareholder; and/or (v) refusing to make any dividend payment to a Shareholder. The Fund may be required to report such action and to disclose the subscriber's or Shareholder's identity to OFAC or other applicable governmental and regulatory authorities.

Sanctions and Required Representations. The Fund is subject to laws that restrict it from dealing with certain persons, including persons that are located or domiciled in sanctioned jurisdictions. Accordingly, each subscriber and Shareholder (including any transferee) will be required to make such representations to the Fund as the Fund, the Investment Manager or the Administrator will require in connection with applicable AML/OFAC Obligations, including representations to the Fund that, to the best of its knowledge, such subscriber or Shareholder (and (i) any person controlling or controlled by the subscriber or Shareholder; (ii) if the subscriber or Shareholder is a privately held entity, any person having a beneficial interest in the subscriber or Shareholder; (iii) if required under Cayman Islands law, such persons having a beneficial interest in the subscriber or Shareholder as determined under Cayman Islands law; (iv) any person for whom the subscriber or Shareholder is acting as agent or nominee in connection with the investment; and (v) any authorized persons in respect of such subscriber or Shareholder) is not (a) a country, territory, individual or entity named on an OFAC list, any list maintained under the European Union ("EU") or United Kingdom ("UK") Regulations (as extended to the Cayman Islands by statutory instrument) or any similar list maintained under applicable law ("Sanctions Lists"); (b) dealing with any third party named on any Sanctions List; (c) operationally based or domiciled in a country or territory in relation to which current sanctions have been issued by the United Nations, EU or UK; or (d) a person or entity prohibited under the programs administered by OFAC or any other similar economic and trade sanctions program. Where a Shareholder is named on any of the Sanctions Lists, the Fund may be required to cease any further dealings with the Shareholder's interest in the Fund until such sanctions are lifted or a license is sought under applicable law to continue dealings.

Each subscriber and Shareholder (including any transferee) will also be expected to represent to the Fund that, to the best of its knowledge, such subscriber or Shareholder (and (i) any person controlling or controlled by the subscriber or Shareholder; (ii) if the subscriber or Shareholder is a privately held entity, any person having a beneficial interest in the subscriber or Shareholder; (iii) if required under Cayman Islands law, such persons having a beneficial interest in the subscriber or Shareholder as determined under Cayman Islands law; (iv) any person for whom the subscriber or Shareholder is acting as

agent or nominee in connection with the investment; and (v) any authorized persons in respect of such subscriber or Shareholder) is not a politically exposed person,* or any family member** or close associate*** of a politically exposed person. Any subscriber or Shareholder (including any transferee) that cannot make such representations may be subject to enhanced due diligence and the Fund may decline to accept any subscription or process any transfer in such circumstances.

Each subscriber and Shareholder (including any transferee) will also be required to represent to the Fund that, to the best of its knowledge, such subscriber or Shareholder (and (i) any person controlling or controlled by the subscriber or Shareholder; (ii) if the subscriber or Shareholder is a privately held entity, any person having a beneficial interest in the subscriber or Shareholder; (iii) if required under Cayman Islands law, such persons having a beneficial interest in the subscriber or Shareholder as determined under Cayman Islands law; (iv) any person for whom the subscriber or Shareholder is acting as agent or nominee in connection with the investment; and (v) any authorized persons in respect of such subscriber or Shareholder) is not a shell bank****. Further, if such subscriber or Shareholder is a non-U.S. banking institution (a "Non-U.S. Bank") or if such subscriber or Shareholder receives deposits from, makes payments on behalf of, or handles other financial transactions related to a Non-U.S. Bank, such subscriber or Shareholder must represent to the Fund that: (i) the Non-U.S. Bank has a fixed address, other than solely an electronic address, in a country in which the Non-U.S. Bank is authorized to conduct banking activities; (ii) the Non-U.S. Bank employs one or more individuals on a full-time basis; (iii) the Non-U.S. Bank maintains operating records related to its banking activities; (iv) the Non-U.S. Bank is subject to inspection by the banking authority that licensed the Non-U.S. Bank to conduct banking activities; and (v) the Non-U.S. Bank does not provide banking services to any other Non-U.S. Bank that does not have a physical presence in any country and that is not a regulated affiliate.

Such subscriber or Shareholder will also be required to represent to the Fund that amounts contributed by it to the Fund were not directly or indirectly derived from activities that may contravene applicable laws and regulations, including any applicable anti-money laundering laws and regulations.

Each subscriber and Shareholder must notify the Fund promptly in writing should it become aware of any change in the information set forth in its representations.

Required Reporting. If any person in the Cayman Islands knows or suspects or has reasonable grounds for knowing or suspecting that another person is engaged in criminal conduct or money laundering or is involved with terrorism or terrorist financing and property and the information for that knowledge or suspicion came to their attention in the course of business in the regulated sector, or other

* For these purposes, the term "politically exposed person" means (a) a person who is or has been entrusted with prominent public functions by a foreign (non-Cayman Islands) country, for example a Head of State or of government, senior politician, senior government, judicial or military official, senior executive of a state-owned corporation, and important political party official; (b) a person who is or has been entrusted domestically (in the Cayman Islands) with prominent public functions, for example a Head of State or of government, senior politician, senior government, judicial or military official, senior executives of a state-owned corporation and important political party official; and (c) a person who is or has been entrusted with a prominent function by an international organization like a member of senior management, such as a director, a deputy director and a member of the board or equivalent functions.

** For these purposes, the term "family member" includes the spouse, parent, sibling or child of a politically exposed person.

*** For these purposes, the term "close associate" means any natural person who is known to hold the ownership or control of a legal instrument or person jointly with a politically exposed person, or who maintains some other kind of close business or personal relationship with a politically exposed person, or who holds the ownership or control of a legal instrument or person which is known to have been established to the benefit of a politically exposed person.

**** For these purposes, the term "shell bank" means any institution that accepts currency for deposit and that (a) has no physical presence in the jurisdiction in which it is incorporated or in which it is operating, as the case may be, and (b) is unaffiliated with a regulated financial group that is subject to consolidated supervision.

trade, profession, business or employment, the person will be required to report such knowledge or suspicion to (i) the Financial Reporting Authority of the Cayman Islands, pursuant to the Proceeds of Crime Law (Revised) of the Cayman Islands, if the disclosure relates to criminal conduct or money laundering, or (ii) a police officer of the rank of constable or higher, or the Financial Reporting Authority, pursuant to the Terrorism Law (Revised) of the Cayman Islands, if the disclosure relates to involvement with terrorism or terrorism financing and property. Such a report will not be treated as a breach of confidence or of any restriction upon the disclosure of information imposed by any enactment or otherwise.

Pursuant to the AML Regulations, the Fund must designate natural persons to act as Anti-Money Laundering Compliance Officer, Money Laundering Reporting Officer and Deputy Money Laundering Reporting Officer (collectively, the "AML Officers") of the Fund. Subscribers and Shareholders may obtain details (including contact details) of the current AML Officers of the Fund by contacting the Investment Manager using the contact information set forth in the section of this Memorandum entitled, "Directory".

Master Fund Obligations. As a regulated mutual fund in the Cayman Islands, the Master Fund is also subject to the same legislation and regulations aimed at the prevention of money laundering that are applicable to the Fund. The Master Fund will discharge its obligations by implementing procedures substantially similar to the Fund. The AML Officers of the Fund have been appointed to the same roles with respect to the Master Fund.

Delegation. Where permitted by applicable law, and subject to certain conditions, the Fund may delegate the maintenance of its anti-money laundering procedures (including the acquisition of due diligence information) to a suitable person.

Cayman Islands Mutual Funds Law

The Fund and the Master Fund are each regulated as a mutual fund under the Mutual Funds Law. The Monetary Authority has supervisory and enforcement powers to ensure compliance with the Mutual Funds Law. Regulation under the Mutual Funds Law entails the filing of prescribed details and audited accounts annually with the Monetary Authority. The Monetary Authority may at any time instruct each of the Fund and the Master Fund to have their accounts audited and to submit them to the Monetary Authority within such time as the Monetary Authority specifies. Failure to comply with these requests by the Monetary Authority may result in substantial fines on the part of the Board of Directors and may result in the Monetary Authority applying to the court to have the Fund and the Master Fund wound up.

Neither the Fund nor the Master Fund will, however, be subject to supervision in respect of its investment activities or the constitution of the Fund's or the Master Fund's portfolio by the Monetary Authority or any other governmental authority in the Cayman Islands, although the Monetary Authority does have the power to investigate the activities of the Fund and the Master Fund in certain circumstances. Neither the Monetary Authority nor any other governmental authority in the Cayman Islands has commented upon or approved the terms or merits of this Memorandum. There is no investment compensation scheme available to investors in the Cayman Islands.

The Monetary Authority may take certain actions if it is satisfied that a regulated mutual fund is or is likely to become unable to meet its obligations as they fall due or is carrying on or is attempting to carry on business or is winding up its business voluntarily in a manner that is prejudicial to its investors or creditors. The powers of the Monetary Authority include the power to require the substitution of Directors, to appoint a person to advise the Fund or the Master Fund on the proper conduct of its affairs or to appoint a person to assume control of the affairs of the Fund or the Master Fund. There are other remedies available to the Monetary Authority including the ability to apply to court for approval of other actions.

The Fund, the Master Fund and any of its or their directors or agents domiciled in the Cayman Islands, may be compelled to provide information, subject to a request for information made by a regulatory or governmental authority or agency under applicable law; e.g., by the Monetary Authority, either for itself or for a recognized overseas regulatory authority, under the Monetary Authority Law (Revised), or by the Tax Information Authority, under the Tax Information Authority Law (Revised) or Reporting of Savings Income Information (European Union) Law (Revised) and associated regulations, agreements, arrangements and memoranda of understanding. Disclosure of confidential information under such laws will not be regarded as a breach of any duty of confidentiality and, in certain circumstances, the Fund, the Master Fund, and any of its or their directors or agents, may be prohibited from disclosing that the request has been made.

CAPITAL STRUCTURE OF THE FUND

Authorized Capital and Division of Shares

The Fund has authorized capital of \$50,000 divided into 4,999,999 non-voting, redeemable, participating shares, \$0.01 par value each, which may be allocated by the Board of Directors, in its discretion, among various Tranches of Shares, and one voting share, \$0.01 par value, which is held by the Advisor (the "Management Share"). No capital of the Fund is under option or agreed, conditionally or unconditionally, to be put under option to any person.

The Fund may, from time to time, by an ordinary resolution, increase the Fund's authorized share capital, consolidate and divide all or any of the Shares into a smaller number of Shares, sub-divide the Shares into a larger number of shares, or cancel any Shares not taken or agreed to be taken by any person. The Fund may, from time to time, by a special resolution, reduce its share capital in any way permitted by the laws of the Cayman Islands.

Shares will be registered in the name of the Shareholder and held in book-entry form unless otherwise requested in writing by a Shareholder.

Except as specifically described in this Memorandum, the Shares have no conversion or pre-emptive rights. All Shares, when duly issued, will be fully paid and non-assessable.

Participation and Voting

Shareholders that participate in the profits of the Fund do so in proportion to the net asset value per Share of the various Tranches of Shares they hold. In the event of the liquidation or dissolution of the Fund, the net assets of the Fund remaining after the satisfaction of the rights of creditors and payment of the par value of the Management Share and the Shares will also be distributed to the Shareholders in proportion to the net asset value per Share of the various Tranches of Shares.

The Management Share confers upon the holder thereof the right to receive notice of, to attend and to vote at general meeting of the Fund. The Management Share is held by the Advisor, but may be subsequently transferred by the Advisor to a different person or entity.

The Participating Shares are non-voting and do not confer upon the holder thereof the right to receive notice of, to attend or to vote at general meetings of the Fund.

Rights of Shareholders

All Shareholders are entitled to the benefit of, are bound by and are deemed to have notice of the provisions of, the Articles of Association. Under the terms of the Articles of Association, the liability of the Shareholders is limited to any amount unpaid on their Shares. As the Shares can only be issued if they are fully paid, the Shareholders will not be liable for any debt, obligation or default of the Fund beyond their interest in the Fund.

The Articles of Association have been drafted in broad and flexible terms to allow the Directors the authority, in their discretion, to determine a number of issues, including, without limitation, whether or not to charge subscription fees, generally or in any particular case. In approving the offering of Shares on the terms set out in this Memorandum, the Directors have exercised a number of these discretions in accordance with the Articles of Association.

Variation of Share Rights

The Articles of Association provide that, subject to the Companies Law (as amended) of the Cayman Islands (the "Companies Law") and the other provisions of the Articles of Association, all or any of the Tranche rights or other terms of offer, whether set out in this Memorandum, any Subscription Agreement or otherwise (including any representations, warranties, covenants or disclosure relating to the offer or holding of Shares) (collectively referred to as "Share Rights") for the time being applicable to any Tranche of Shares in issue (unless otherwise provided by the terms of issue of those Shares) may (whether or not the Fund is being wound up) be varied without the consent of the holders of the issued Shares of that Tranche where such variation is considered by the Directors, not to have a material adverse effect upon such holders' Share Rights; otherwise, any such variation will be made only with the prior consent in writing of the holders of not less than two-thirds by net asset value of such Shares, or with the sanction of a resolution passed by a majority of at least two-thirds of the votes cast in person or by proxy at a separate meeting of the holders of such Shares. For the avoidance of doubt, the Directors reserve the right, notwithstanding that any such variation may not have a material adverse effect, to obtain consent from the holders of such Shares. Each subscriber for Shares will be required to acknowledge and agree that the terms of this offering of Shares and the rights attaching to the Shares, as set forth in this Memorandum and in the applicable Subscription Agreement, can be varied in accordance with the provisions of the Articles of Association.

Negative Consent

The Articles of Association provide that, where consent is required with respect to any Tranche, pursuant to the "Variation of Share Rights" Article, the Directors in their discretion may invoke the following procedure (the "Negative Consent Procedure"). The Directors will provide written notice in respect of the proposed variation (the "Proposal") to the Shareholders of the affected Tranche and will specify a deadline (the "Redemption Deadline"), which will be no earlier than 15 days after the date of giving such notice, by which date such Members may submit a written request for redemption of some or all of their Shares of the affected Tranche no later than the Redemption Deadline. The terms of the Proposal will be such that its specified effective date (the "Effective Date") will not be on or prior to the Redemption Deadline. In the event that such redemptions are delayed due to the Redemption Queue, such Proposal shall not be effected until redemptions submitted prior to the Redemption Deadline have been satisfied in full. Such notice will further provide that the holders of any Shares in respect of which a request for redemption has not been received by the Redemption Deadline (the "Affected Shares") will, in the absence of express written refusal to consent, be deemed to have consented in writing to the Proposal (such Affected Shares being the "Negative Consent Shares"). In the event that the Negative Consent Procedure is followed, only the Affected Shares will be considered for the purposes of determining whether the written consent majority has been obtained under the "Variation of Share Rights" Article with the holders of the Negative Consent Shares being deemed to have submitted a written consent in favor of the Proposal on the Effective Date.

Dividends

Dividends may be paid in the sole discretion of the Board of Directors. To the extent that a dividend may be declared, it will be paid in compliance with any applicable laws. It is not anticipated that the Fund will pay dividends.

LEGAL COUNSEL

SRZ has been engaged by the Investment Manager to represent it as U.S. legal counsel in connection with the organization of the Fund and the Master Fund and this offering of Shares. SRZ also has been engaged by the Board of Directors to represent the Fund and the Master Fund in connection with these matters and other matters for which it is retained to do so. Ogier ("Ogier", and together with SRZ, "Legal Counsel") has been engaged to act as Cayman Islands legal counsel by the Board of Directors to represent the Fund and the Master Fund in connection with the organization of the Fund and the Master Fund and this offering of Shares in the Fund. No separate counsel has been engaged to independently represent the Shareholders in connection with these matters.

Each Legal Counsel will represent the Fund and the Master Fund on matters for which it is retained to do so. Other counsel may also be retained where the Investment Manager, on its own behalf, or the Board of Directors determines that to be appropriate.

Each Legal Counsel's representation of the Fund and the Master Fund is limited to specific matters as to which they have been consulted by the Fund or the Master Fund. There may exist other matters that could have a bearing on the Fund or the Master Fund as to which a Legal Counsel has not been consulted. In connection with the preparation of this Memorandum and the Master Fund Memorandum, SRZ is responsible only for matters of United States law and does not accept responsibility in relation to any other matters referred to or disclosed in this Memorandum and the Master Fund Memorandum, and Ogier is responsible only for matters of Cayman Islands law and does not accept responsibility in relation to any other matters referred to or disclosed in this Memorandum and the Master Fund Memorandum. In advising the Fund, the Master Fund and the Investment Manager with respect to the preparation of this Memorandum and the Master Fund Memorandum, each Legal Counsel has relied upon information that has been furnished to it by the Fund, the Master Fund, the Investment Manager and their affiliates, and has not independently investigated or verified the accuracy or completeness of the information set forth herein. In addition, Legal Counsel does not monitor the compliance of the Fund, the Master Fund or the Investment Manager with the investment guidelines, valuation procedures and other guidelines set forth in this Memorandum and the Master Fund Memorandum or the Fund's and the Master Fund's terms or compliance with applicable laws.

There may be situations in which there is a "conflict" between the interests of the Investment Manager and those of the Fund and the Master Fund. In these situations, such parties will determine the appropriate resolution thereof, and may seek advice from Legal Counsel in connection with such determinations. The Investment Manager (with respect to SRZ) and the Fund and the Master Fund have each consented to Legal Counsel's concurrent representation of such parties in such circumstances. In general, independent counsel will not be retained to represent the interests of the Fund, the Master Fund or the Shareholders.

APPENDIX A

OFFERING AND SALE RESTRICTIONS WITH RESPECT TO CERTAIN JURISDICTIONS

NOTE REGARDING MARKETING IN THE EUROPEAN ECONOMIC AREA

In each member state (each a "relevant member state") of the EEA that has implemented the AIFM Directive, the Shares may only be offered to professional investors in accordance with the local measures implementing the AIFM Directive (such as where this Memorandum or any supplement provides that the Fund has been registered for the purposes of the national private placement regime of the relevant member state), or in any other circumstances permitted by local law of the relevant member state, including at the own initiative of the professional investor.

In relation to offers in the EEA, the Shares are not intended to be offered, or otherwise made available, to any person categorized as (i) a "retail client" (as defined in point (11) of Article 4(1) of MiFID II); or (ii) a "customer" (within the meaning of Directive 2002/92/EC on Insurance Mediation), where such customer does not qualify as a "professional client" (as defined in point (10) of Article 4(1) of MiFID II).

FOR PROSPECTIVE SHAREHOLDERS IN ARGENTINA

No public offering of Shares is being made to investors resident in Argentina. Shares are being offered only to a limited number of institutional investors and sophisticated individual investors capable of understanding the risks of their investment. The National Securities Commission of Argentina has not passed upon the accuracy or adequacy of this Memorandum or otherwise approved or authorized the offering of Shares to investors resident in Argentina.

FOR PROSPECTIVE SHAREHOLDERS IN AUSTRALIA

The Fund is not, and is not required to be, a registered foreign body corporate in Australia, and this Memorandum is not a prospectus lodged or required to be lodged with the Australian Securities and Investments Commission. The Shares will only be offered in Australia to persons to whom such securities may be offered without a prospectus under Chapter 6D of the Corporations Act 2001 (Cth). The Shares subscribed for by investors in Australia must not be offered for resale in Australia for 12 months from allotment except in circumstances where disclosure to investors under the Corporations Act 2001 (Cth) would not be required or where a compliant prospectus is produced. Prospective investors in Australia should confer with their professional advisers if in any doubt about their position.

FOR PROSPECTIVE SHAREHOLDERS IN THE BAHAMAS

This Memorandum in connection with the offer of Shares has not been filed with the Securities Commission of The Bahamas because the Fund is a non-Bahamas based investment fund for the purposes of the Investment Funds Act, 2003 and is therefore exempted from the prospectus filing requirements of the Securities Industry Act, 2011. No offer or sale of Shares will be made in The Bahamas unless the offer of the Shares is made by or through a representative of the Fund in The Bahamas in accordance with the provisions of the Investment Funds Act, 2003 and the Investment Funds Regulations, 2003 and in compliance with Bahamian Exchange Control Regulations.

FOR PROSPECTIVE SHAREHOLDERS IN THE KINGDOM OF BAHRAIN

Neither this Memorandum nor the Shares have been authorized by or registered or filed with the Central Bank of Bahrain or any other governmental authority in the Kingdom of Bahrain, nor has the Fund received authorization from the Central Bank of Bahrain or any other governmental authority in the Kingdom of Bahrain to market or sell the Shares within the Kingdom of Bahrain. This Memorandum does not constitute and may not be used for the purpose of an offer or invitation in the Kingdom of Bahrain. No services relating to the Shares, including the receipt of applications and the allotment or redemption of such Shares, may be rendered by the Fund within the Kingdom of Bahrain.

FOR PROSPECTIVE SHAREHOLDERS IN BERMUDA

Shares may not be marketed, offered or sold directly or indirectly to the public in Bermuda and neither this Memorandum, which is not subject to and has not received approval from either the Bermuda Monetary Authority or the Registrar of Companies and no statement to the contrary, explicit or implicit, is authorized to be made in this regard, nor any offering material or information contained herein relating to Shares, may be supplied to the public in Bermuda or used in connection with any offer for the subscription or sale of Shares to the public in Bermuda. Bermuda investors may be subject to foreign exchange control approval and filing requirements under the relevant Bermuda foreign exchange control regulations, as well as offshore investment approval requirements.

FOR PROSPECTIVE SHAREHOLDERS IN BRAZIL

The Fund is not listed with any stock exchange, organized over the counter market or electronic system of securities trading. The Shares have not been and will not be registered with any securities exchange commission or other similar authority, including the Brazilian Securities and Exchange Commission (*Comissão de Valores Mobiliários* or the "CVM"). The Shares will not be directly or indirectly offered or sold within Brazil through any public offering, as determined by Brazilian law and by the rules issued by the CVM, including Law No. 6,385 (Dec. 7, 1976) and CVM Rule No. 400 (Dec. 29, 2003), as amended from time to time, or any other law or rules that may replace them in the future.

Acts involving a public offering in Brazil, as defined under Brazilian laws and regulations and by the rules issued by the CVM, including Law No. 6,385 (Dec. 7, 1976) and CVM Rule No. 400 (Dec. 29, 2003), as amended from time to time, or any other law or rules that may replace them in the future, must not be performed without such prior registration. Persons in Brazil wishing to acquire the Shares should consult with their own counsel as to the applicability of these registration requirements or any exemption therefrom. Without prejudice to the above, the sale and solicitation of the Shares is limited to professional investors as defined by CVM Rule No. 539 (Nov. 13, 2013), as amended, or as defined by any other rule that may replace it in the future.

This Memorandum is confidential and intended solely for the use of the addressee and cannot be delivered or disclosed in any manner whatsoever to any person or entity other than the addressee.

FOR PROSPECTIVE SHAREHOLDERS IN THE BRITISH VIRGIN ISLANDS

This Memorandum does not constitute, and there will not be, an offering of securities to the public in the British Virgin Islands.

FOR PROSPECTIVE SHAREHOLDERS IN BRUNEI

This Memorandum has not been delivered to, licensed or permitted by the Autoriti Monetari Brunei Darussalam as designated under the Securities Markets Order of 2013.

FOR PROSPECTIVE SHAREHOLDERS IN THE CAYMAN ISLANDS

This Memorandum does not constitute an offering, and there will not be any offering, of the Shares to the public in the Cayman Islands. No offer or invitation to subscribe for Shares may be made to the public in the Cayman Islands unless and until the Shares are listed on the Cayman Islands Stock Exchange.

FOR PROSPECTIVE SHAREHOLDERS IN CHILE

This Memorandum, and the Shares to which it relates, may not be advertised, marketed, distributed or otherwise made available to the public in Chile. In connection with the offering of the Shares, no prospectus has been registered with or approved by the Securities Superintendence of Chile or any other regulatory body in Chile. The Shares are being offered on a limited private basis, and do not constitute marketing, offering or sales to the public in Chile. Therefore, this Memorandum is strictly private and confidential and may neither be reproduced, used for any other purpose, nor provided to any other person than the intended recipient hereof.

FOR PROSPECTIVE SHAREHOLDERS IN CHINA

The Shares may not be marketed, offered or sold directly or indirectly to the public in China and neither this Memorandum, which has not been submitted to the Chinese Securities and Regulatory Commission, nor any offering material or information contained herein relating to the Shares, may be supplied to the public in China or used in connection with any offer for the subscription or sale of the Shares to the public in China. The Shares may only be marketed, offered or sold to Chinese institutions which are authorized to engage in foreign exchange business and offshore investment from outside China. Chinese investors may be subject to foreign exchange control approval and filing requirements under the relevant Chinese foreign exchange regulations, as well as offshore investment approval requirements.

FOR PROSPECTIVE SHAREHOLDERS IN COLOMBIA

Neither this Memorandum nor the Shares have been reviewed or approved by the Financial Superintendency of Colombia or any other governmental authority in Colombia, nor has the Fund or any related person or entity received authorization or licensing from the Financial Superintendency of Colombia or any other governmental authority in Colombia to market or sell the Shares within Colombia. No public offering of the Shares is being made in Colombia or to Colombian residents. By receiving this Memorandum, the recipient acknowledges that it contacted the Investment Manager at its own initiative and not as a result of any promotion or publicity by the Investment Manager. This Memorandum is strictly private and confidential and may not be reproduced, used for any other purpose or provided to any person other than the intended recipient.

FOR PROSPECTIVE SHAREHOLDERS IN COSTA RICA

This offer is a private placement executed outside the Costa Rican territory, and must be ruled by the laws and jurisdiction of the Cayman Islands. The investor accepts that the security offered has no negotiation market and may not be offered through any media or any other way of publicity that could be interpreted by the Costa Rican governmental authorities as a public offer.

FOR PROSPECTIVE SHAREHOLDERS IN ECUADOR

The Fund is not managed or represented by a fund management company or trust administrator in Ecuador and has not been registered with or approved by the National Securities Council or the Superintendency of Companies, Securities and Insurance of Ecuador. Shares are therefore not eligible for advertising, placement or circulation in Ecuador. The information provided in this Memorandum is not an offer to sell, or an invitation to make an offer to purchase, Shares in Ecuador to, or for the benefit of, any Ecuadorian person or entity. This Memorandum may not be distributed or reproduced, in whole or in part, in Ecuador by the recipients of this Memorandum. This Memorandum has been distributed on the understanding that its recipients will only participate in the issue of Shares outside of Ecuador on their own account and will undertake not to transfer, directly or indirectly, Shares to persons or entities in Ecuador.

FOR PROSPECTIVE SHAREHOLDERS IN EGYPT

Neither this Memorandum nor the Shares have been approved, disapproved or passed on in any way by the Egyptian Financial Supervisory Authority or any other governmental authority in Egypt, nor has the Fund received authorization or licensing from the Egyptian Financial Supervisory Authority or any other governmental authority in Egypt to market or sell Shares within Egypt. This Memorandum does not constitute and may not be used for the purpose of an offer or invitation. No services relating to Shares, including the receipt of applications and the allotment or redemption of such Shares, may be rendered by the Fund within Egypt.

FOR PROSPECTIVE SHAREHOLDERS IN EL SALVADOR

The recipient acknowledges that this Memorandum has been prepared and delivered upon the recipient's request, on a private placement basis.

FOR PROSPECTIVE SHAREHOLDERS IN GUATEMALA

This Memorandum and the Fund herein described have not been nor will they be registered with or approved by the *Registro de Valores y Mercancías* (the Guatemalan Securities and Commodities Market Authority). Accordingly, this Memorandum may not be made available, nor may the Shares be marketed and offered for sale in Guatemala, other than under circumstances which are deemed to constitute a private offering under the Guatemalan Securities and Commodities Market Law (*Ley del Mercado de Valores y Mercancías Decreto 34-96*).

FOR PROSPECTIVE SHAREHOLDERS IN GUERNSEY

This Memorandum is only being, and may only be, made available in or from within the Bailiwick of Guernsey and the offer that is the subject of this Memorandum is only being, and may only be, made in or from within the Bailiwick of Guernsey:

- (i) by persons licensed to do so under the Protection of Investors (Bailiwick of Guernsey) Law, 1987 (as amended); or
- (ii) to persons licensed under the Protection of Investors (Bailiwick of Guernsey) Law, 1987 (as amended), the Banking Supervision (Bailiwick of Guernsey) Law, 1994 (as amended), the Regulation of Fiduciaries, Administration Business and Company Directors, etc. (Bailiwick of Guernsey) Law, 2000 (as amended) or the Insurance Managers and Insurance Intermediaries (Bailiwick of Guernsey) Law, 2002 (as amended).

The offer referred to in this Memorandum and this Memorandum are not available in or from within the Bailiwick of Guernsey other than in accordance with the above paragraphs (i) and (ii) and must not be relied upon by any person unless made or received in accordance with such paragraphs.

FOR PROSPECTIVE SHAREHOLDERS IN HONG KONG

The contents of this Memorandum have not been reviewed or approved by any regulatory authority in Hong Kong. This Memorandum does not constitute an offer or invitation to the public in Hong Kong to acquire Shares. Accordingly, unless permitted by the securities laws of Hong Kong, no person may issue or have in its possession for the purposes of issue, this Memorandum or any advertisement, invitation or document relating to the Shares, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong other than in relation to Shares which are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" (as such term is defined in the Securities and Futures Ordinance of Hong Kong (Cap. 571) (the "SFO") and the subsidiary legislation made thereunder) or in circumstances which do not result in this Memorandum being a "prospectus" as defined in the Companies Ordinances of Hong Kong (Cap. 32) (the "CO") or which do not constitute an offer or an invitation to the public for the purposes of the SFO or the CO. The offer of the Shares is personal to the person to whom this Memorandum has been delivered by or on behalf of the Fund, and a subscription for Shares will only be accepted from such person. No person to whom a copy of this Memorandum is issued may issue, circulate or distribute this Memorandum in Hong Kong or make or give a copy of this Memorandum to any other person. You are advised to exercise caution in relation to the offer. If you are in any doubt about any of the contents of this Memorandum, you should obtain independent professional advice.

FOR PROSPECTIVE SHAREHOLDERS IN INDIA

This issue is being made strictly on a private placement basis. This Memorandum is not a prospectus or a statement in lieu of a prospectus. It is not, and should not be deemed to constitute an offer to the public in general. It cannot be acted upon by any person other than the person to whom it has been specifically addressed. Multiple copies hereof given to the same entity will be deemed to be offered to the same person.

The information contained in this Memorandum is believed by the Investment Manager to be accurate in all material respects as of the date hereof. The Investment Manager does not undertake to update this Memorandum to reflect subsequent events. This Memorandum has been prepared to provide general information about the Fund to potential investors evaluating the proposal to subscribe for the Shares and it does not purport to contain all the information that any such potential investor may require. Potential investors should conduct their own due diligence, investigation and analysis of the Investment Manager and the Fund.

Prior to applying for the Shares, potential investors should verify if they have the necessary power and competence to apply for the Shares under their constitutional documents as well as all relevant laws and regulations in force in India, including relevant foreign exchange restrictions and neither the Investment Manager nor the Fund will be responsible for any filings required to be made by the Indian investor. They should also consult their own tax advisers on the tax implications of the acquisition, ownership and sale of Shares, and income arising thereon.

Although the information contained herein has been obtained from sources that are reliable to the best of the Investment Manager's knowledge and belief, the Investment Manager makes no representation as to the accuracy or completeness of any information contained herein or otherwise provided by the Investment Manager. Neither the Investment Manager nor any officer or employee of the Investment Manager accept

any liability whatsoever for any direct or consequential loss arising from any use of this Memorandum or its contents.

The Shares have not been registered or listed in any securities exchange.

FOR PROSPECTIVE SHAREHOLDERS IN INDONESIA

This Memorandum is for the exclusive use of the person to whom it has been specifically addressed. The Fund and its affiliates disclaim any responsibility for any copy of this Memorandum that has been improperly reproduced and circulated. This Memorandum may not be photocopied, reproduced or distributed, in whole or in part, to any other person at any time. Distribution of this Memorandum to any person other than in compliance with the terms of this Memorandum is unauthorized. If the offeree does not proceed with the transaction or if it is so requested, it will return this Memorandum to the Investment Manager promptly. Shares will not be offered or sold, directly or indirectly, in the Republic of Indonesia or to Indonesian citizens, nationals or corporations, wherever located, or entities or residents in Indonesia in a manner which constitutes a public offering of the Shares under the laws and regulations of Indonesia.

FOR PROSPECTIVE SHAREHOLDERS IN THE ISLE OF MAN

No public offering of Shares is being made to investors resident in the Isle of Man. Shares are being offered only to institutional investors and a limited number of other investors in the Isle of Man. The Fund is not subject to approval in the Isle of Man and investors are not protected by any statutory compensation arrangements in the event of the Fund's failure. The Isle of Man Financial Services Authority does not vouch for the financial soundness of the Fund or for the correctness of any statement made or opinion expressed with regard to it.

FOR PROSPECTIVE SHAREHOLDERS IN ISRAEL

The Shares have not been registered and are not expected to be registered under the Israeli Securities Law – 1968 (the "Securities Law") or under the Israeli Joint Investment Trust Law – 1994 due to applicable exemptions. Accordingly, the Shares will only be offered and sold in Israel pursuant to applicable private placement exemptions, to parties that qualify as both (i) Sophisticated Investors described in Section 15A(b)(1) of the Securities Law and (ii) as "Qualified Customers" for purposes of Section 3(a)(11) of the Law for the Regulation of Provision of Investment Advice, Marketing Investments and Portfolio Management – 1995 (the "Investment Advisor Law"). Neither the Fund nor the Investment Manager is a licensed investment marketer under the Investment Advisor Law and neither the Fund nor the Investment Manager maintains insurance as required under such law. The Fund and the Investment Manager may be deemed to be providing investment marketing services but are not investment advisors for purposes of Israeli law. Any investment marketing which may be deemed provided under Israeli law in connection with an investment in the Fund is deemed provided on a one time only basis and neither the Fund nor the Investment Manager will provide any ongoing investment marketing or investment advisory services to the investor. If any recipient in Israel of a copy of this Memorandum is not qualified as described above, such recipient should promptly return this Memorandum to the Fund. By retaining a copy of this Memorandum you are hereby confirming that you qualify as both a Sophisticated Investor and Qualified Customer, fully understand the ramifications thereof and agree to be treated as such by the Fund.

FOR PROSPECTIVE SHAREHOLDERS IN JAPAN

No public offering of the Shares is being made to investors resident in Japan and no securities registration statement pursuant to Article 4, paragraph 1, of the Financial Instruments and Exchange Act (the "FIEA") has been made or will be made in respect to the offering of the Shares in Japan. The Shares may not be

offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan unless they are offered or sold pursuant to an exemption from the registration requirements of, and in compliance with, the FIEA and any applicable laws and regulations of Japan. Neither the Financial Services Agency of Japan nor the Kanto Local Finance Bureau has passed upon the accuracy or adequacy of this Memorandum or otherwise approved or authorized the offering of the Shares in Japan or to investors resident in Japan.

FOR PROSPECTIVE SHAREHOLDERS IN JERSEY

No public offering of Shares is being made to investors resident in Jersey. Shares are being offered only to a limited number of institutional and sophisticated individual investors in Jersey.

FOR PROSPECTIVE SHAREHOLDERS IN KUWAIT

This Memorandum is not for general circulation to the public in Kuwait. The Shares have not been licensed for offering in Kuwait by the Kuwait Capital Markets Authority, or any other relevant Kuwaiti governmental agency. The offering of the Shares in Kuwait on the basis of a private placement or public offering is, therefore, restricted in accordance with Law No. 7 of 2010 (as amended) and the bylaws thereto (as amended). No private or public offering of the Shares is being made in Kuwait, and no agreement relating to the sale of the Shares will be concluded in Kuwait. No marketing or solicitation or inducement activities are being used to offer or market the Shares in Kuwait.

FOR PROSPECTIVE SHAREHOLDERS IN LEBANON

Neither this Memorandum nor the Shares have been approved, disapproved or passed on in any way by the Lebanese Central Bank (the "BDL"), the Capital Market Authority (the "CMA") or any other governmental authority in Lebanon, nor has the Fund received authorization or licensing from the BDL, the CMA or any other governmental authority in Lebanon to market or sell the Shares within Lebanon. This Memorandum does not constitute and may not be used for the purpose of an offer or invitation. No services relating to the Shares, including the receipt of applications and the allotment or redemption of such Shares, may be rendered by the Fund within Lebanon.

FOR PROSPECTIVE SHAREHOLDERS IN MALAYSIA

The offering made under this Memorandum does not constitute, and should not be construed as constituting an offer or invitation to subscribe for or purchase any securities in Malaysia. The Fund, by the dispatch of this Memorandum, has not made available any securities for subscription or purchase in Malaysia. This Memorandum is distributed in Malaysia for information purposes only. This Memorandum does not constitute and should not be construed as offering or making available any Shares for purchase in Malaysia.

FOR PROSPECTIVE SHAREHOLDERS IN MEXICO

The offering made pursuant to this Memorandum does not constitute a public offering of securities under Mexican law and therefore is not subject to obtaining the prior authorization of the Mexican National Banking and Securities Commission or the registration of Shares with the Mexican National Registry of Securities.

FOR PROSPECTIVE SHAREHOLDERS IN MONACO

No public offering of Shares is being made to investors resident in Monaco. Shares are being offered only to a limited number of institutional investors (i.e., duly licensed banks by the *Autorité de Contrôle Prudentiel* and portfolio management companies duly licensed, by virtue of Law n° 1.338 of September

7th, 2007, by the *Commission de Contrôle des Activités Financières*), capable of understanding the risks of their investment. The *Commission de Contrôle des Activités Financières* of Monaco has not passed upon the accuracy or adequacy of this Memorandum or otherwise approved or authorized the offering of Shares to investors resident in Monaco.

The addressees hereof are perfectly fluent in English and expressly waive the possibility of a French translation of the present document. *Les destinataires du présent document reconnaissent être à même d'en prendre connaissance en langue anglaise et renoncent expressément à une traduction française.*

FOR PROSPECTIVE SHAREHOLDERS IN MOROCCO

No public offering of Shares is being made to investors resident in Morocco. Shares are being offered only to a limited number of institutional investors capable of understanding the risks of their investment. Neither the *Conseil Déontologique des Valeurs Mobilières* nor the Ministry of Finance has passed upon the accuracy or adequacy of this Memorandum or otherwise approved or authorized the offering of Shares to investors resident in Morocco.

FOR PROSPECTIVE SHAREHOLDERS IN NEW ZEALAND

No retail offering of the Shares is being made to investors in New Zealand. The Shares are being offered to wholesale investors in New Zealand pursuant to an exclusion from disclosure requirements under the Financial Markets Conduct Act 2013. The New Zealand Financial Markets Authority has not passed upon the accuracy or adequacy of this Memorandum or otherwise approved or authorized the offering of the Shares to investors resident in New Zealand.

FOR PROSPECTIVE SHAREHOLDERS IN OMAN

This Memorandum, and the Shares to which it relates, may not be advertised, marketed, distributed or otherwise made available to the general public in Oman. In connection with the offering of the Shares, no prospectus has been registered with or approved by the Central Bank of Oman, the Oman Ministry of Commerce and Industry, the Oman Capital Market Authority or any other regulatory body in the Sultanate of Oman. The offering and sale of the Shares described in this Memorandum will not take place inside Oman. The Shares are being offered on a limited private basis, and do not constitute marketing, offering or sales to the general public in Oman. Therefore, this Memorandum is strictly private and confidential, and is being issued to a limited number of sophisticated investors, and may neither be reproduced, used for any other purpose, nor provided to any other person than the intended recipient hereof.

FOR PROSPECTIVE SHAREHOLDERS IN PANAMA

No public offering of Shares is being made to investors resident in Panama. The Shares are being offered only to institutional investors and a limited number of other investors in Panama. The *Superintendencia del Mercado de Valores* has not passed upon the accuracy or adequacy of this Memorandum or otherwise approved or authorized the offering of Shares to investors resident in Panama.

FOR PROSPECTIVE SHAREHOLDERS IN PERU

Shares have not been and will not be approved by the Peruvian *Superintendencia del Mercado de Valores* ("SMV") or any other regulatory agency in Peru, nor have they been registered under the Securities Market Law (*Ley del Mercado de Valores*), or any SMV regulations. Shares may not be offered or sold within Peru except in private placement transactions.

FOR PROSPECTIVE SHAREHOLDERS IN THE PHILIPPINES

The Shares being offered or sold have not been registered with the Philippine Securities and Exchange Commission under the Philippine Securities Regulation Code (the "SRC"). Any future offer or sale thereof is subject to registration requirements under the SRC unless such offer or sale qualifies as an exempt transaction.

FOR PROSPECTIVE SHAREHOLDERS IN QATAR

This Memorandum is provided on an exclusive basis to the specifically intended recipient hereof, upon that person's request and initiative and for the recipient's personal use only. Nothing in this Memorandum constitutes, is intended to constitute, shall be treated as constituting or shall be deemed to constitute any offer or sale of securities in the State of Qatar or in the Qatar Financial Centre or the inward marketing of an investment fund, or an attempt to do business as a bank, an investment company or otherwise in the State of Qatar or in the Qatar Financial Centre, other than in compliance with any laws applicable in the State of Qatar or in the Qatar Financial Centre governing the issue, offering and sale of securities.

This Memorandum and the underlying instruments have not been approved, registered or licensed by the Qatar Central Bank, the Qatar Financial Centre Regulatory Authority, the Qatar Financial Markets Authority or any other regulator in the State of Qatar. The Memorandum and any related documents have not been reviewed or approved by the Qatar Financial Centre Regulatory Authority or the Qatar Central Bank.

Recourse against the Fund, and those involved with it, may be limited or difficult and may have to be pursuant in a jurisdiction outside Qatar and the Qatar Financial Centre. Any distribution of this Memorandum by the recipient to third parties in Qatar or the Qatar Financial Centre beyond the terms hereof is not authorized and shall be at the liability of the recipient.

FOR PROSPECTIVE SHAREHOLDERS IN THE RUSSIAN FEDERATION

Under Russian law, the Shares may be considered securities of a foreign issuer. Neither the Shares nor this Memorandum has been, or is intended to be, registered with the Central Bank of the Russian Federation, and hence the Shares are not eligible for advertising, initial placement and public circulation in the Russian Federation and may not be offered to investors that are not qualified investors within the meaning of Russian law. The information provided in this Memorandum (including any amendment or supplement thereto or replacement thereof) is not an offer, or an invitation to make offers, to sell, exchange or otherwise transfer the Shares in the Russian Federation to or for the benefit of any Russian person or entity.

This Memorandum is not to be distributed or reproduced (in whole or in part) in the Russian Federation by the recipients of this Memorandum. This Memorandum has been distributed on the understanding that its recipients will only participate in the issue of the Shares outside the Russian Federation on their own account and undertake not to transfer, directly or indirectly, the Shares in the Russian Federation for public circulation or offering to non-qualified investors.

FOR PROSPECTIVE SHAREHOLDERS IN SAUDI ARABIA

Neither this Memorandum nor the Shares have been approved, disapproved or passed on in any way by the Capital Market Authority or any other governmental authority in the Kingdom of Saudi Arabia, nor has the Fund received authorization or licensing from the Capital Market Authority or any other governmental authority in the Kingdom of Saudi Arabia to market or sell the Shares within the Kingdom of Saudi Arabia. This Memorandum does not constitute and may not be used for the purpose of an offer or invitation. No

services relating to the Shares, including the receipt of applications and the allotment or redemption of the Shares, may be rendered by the Fund within the Kingdom of Saudi Arabia.

FOR PROSPECTIVE SHAREHOLDERS IN SINGAPORE

This Memorandum and any other material in connection with the offer or sale is not a prospectus as defined in the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"). Accordingly, statutory liability under the SFA in relation to the content of prospectuses would not apply. You should consider carefully whether the investment is suitable for you.

This Memorandum has not been registered as a prospectus with the Monetary Authority of Singapore (the "MAS") and this offering is not regulated by any financial supervisory authority pursuant to any legislation in Singapore. The Fund is not authorised or recognised by the MAS and the Shares are not allowed to be offered to the retail public. Accordingly, this Memorandum and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the interests may not be circulated or distributed, nor may the Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 4A of the SFA, (ii) to a relevant person under Section 305(1) of the SFA, (iii) to any person pursuant to an offer referred to in Section 305(2) of the SFA, or (iv) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Certain resale restrictions apply to the offer and investors are advised to acquaint themselves with such restrictions.

Where the Shares are subscribed or purchased under Section 305 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within 6 months after that corporation or that trust has acquired the interests pursuant to an offer made under Section 305 except:

- (1) to an institutional investor or to a relevant person defined in Section 305(5) of the SFA, or to any person pursuant to an offer that is made on terms that such shares, debentures and units of shares and debentures of that corporation or such rights and interest in that trust are acquired at a consideration of not less than S\$200,000 (or its equivalent in a foreign currency) for each transaction, whether such amount is to be paid for in cash or by exchange of units in a collective investment scheme, securities, securities-based derivatives contracts or other assets, and further for corporations, in accordance with the conditions specified in Section 275 of the SFA;
- (2) where no consideration is or will be given for the transfer; or
- (3) where the transfer is by operation of law.

FOR PROSPECTIVE SHAREHOLDERS IN SOUTH AFRICA

Neither this Memorandum nor the Shares have been approved, disapproved or passed on in any way by the Financial Services Conduct Authority or any other governmental authority in South Africa, nor has the Fund received authorization or licensing from the Financial Services Conduct Authority or any other governmental authority in South Africa to market or sell Shares within South Africa. This Memorandum is strictly confidential and may not be reproduced, used for any other purpose or provided to any person other than the intended recipient.

FOR PROSPECTIVE SHAREHOLDERS IN SOUTH KOREA

Neither the Fund nor any of its affiliates is making any representation with respect to the eligibility of any recipients of this Memorandum to acquire the Shares under the laws of Korea, including the Foreign Exchange Transaction Law and Regulations thereunder. The Shares are being offered and sold in Korea only to persons prescribed by Article 301, Paragraph 2 of the Enforcement Decree of the Financial Investment Services and Capital Markets Act, and none of the Shares may be offered, sold or delivered, or offered or sold to any person for re-offering or resale, directly or indirectly, in Korea or to any resident of Korea except pursuant to applicable laws and regulations of Korea. Furthermore, the Shares may not be re-sold to Korean residents unless the purchaser of the Shares complies with all applicable regulatory requirements (including governmental approval requirements under the Foreign Exchange Transaction Law and its subordinate decrees and regulations) in connection with purchase of the Shares.

FOR PROSPECTIVE SHAREHOLDERS IN SWITZERLAND

The Fund has not been and cannot be registered with the Swiss Financial Market Supervisory Authority-FINMA and the Shares cannot be distributed in Switzerland to non-qualified investors. This Memorandum and/or any other offering materials relating to the Fund may be made available in Switzerland solely to investors that invest in the Fund on their own initiative in a manner that does not involve any distribution.

FOR PROSPECTIVE SHAREHOLDERS IN TAIWAN

The Shares have not been registered in the Republic of China, nor is approval by the Financial Supervisory Commission, Executive Yuan, the Republic of China ("FSC") compulsory. Subscribers should review the financial information and relevant documents, consult with an independent consultant, and bear the risks of this investment. Subscribers within the territory of the Republic of China are required to meet certain requirements set forth in the Rules Governing Offshore Funds and conditions promulgated by the FSC. Subscribers cannot resell the Shares (except in accordance with resale restrictions) nor solicit any other purchasers for this offering.

FOR PROSPECTIVE SHAREHOLDERS IN THAILAND

This Memorandum is provided to you solely at your request and is not intended to be an offer, sale or invitation for subscription or purchase of securities in Thailand. This Memorandum has not been registered as a prospectus with the Office of the Securities and Exchange Commission of Thailand. Accordingly, this Memorandum and any other documents and material in connection with the offer, sale or invitation for subscription or purchase, of the Shares may not be circulated or distributed, nor may Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to the public or any members of the public in Thailand. Neither the Fund, any of its affiliates or any of their respective representatives maintain any license, authorization or registration in Thailand nor is the Fund registered in Thailand. The offer and sale of securities within Thailand and the provision of securities

services in Thailand or to Thai persons or entities may not be possible or may be subject to legal restriction or conditions.

FOR PROSPECTIVE SHAREHOLDERS IN TURKEY

An issuance certificate relating to the Shares has not been approved by the Turkish Capital Markets Board pursuant to the provisions of the Capital Markets Law. No offering or other sale or solicitation will be made until an issuance certificate relating to the Shares has been approved by the Turkish Capital Markets Board pursuant to the provisions of the Capital Markets Law. The Shares may be offered in Turkey only to qualified investors, as this term is provided in Article 30 of the Foreign Securities and Mutual Funds Communiqué and as defined in applicable capital markets regulations. Each investor in the Fund in Turkey will be required to provide documents evidencing that it is a qualified investor pursuant to Article 30 of the Foreign Securities and Mutual Funds Communiqué. Qualified investors are presumed to be aware that the Fund has not made any advertisement or public disclosure, and should request any information necessary to make an informed investment decision directly from the Fund. The approval by the Capital Markets Board of an issuance certificate would not constitute a guarantee by the Capital Markets Board in relation to the Shares. This Memorandum is not intended to be an advertisement, promotion or solicitation of the Fund or any Shares. The Capital Markets Board or Borsa Istanbul does not have any discretion relating to the determination of the price of the Shares.

FOR PROSPECTIVE SHAREHOLDERS IN THE UNITED ARAB EMIRATES (ABU DHABI AND DUBAI OUTSIDE OF THE DUBAI INTERNATIONAL FINANCIAL CENTRE)

By receiving this Memorandum, the person or entity to whom it has been issued understands, acknowledges and agrees that neither this Memorandum nor the Shares have been approved, disapproved or passed on in any way by the Central Bank of the United Arab Emirates (the "UAE"), the UAE Securities and Commodities Authority (the "SCA") or any other authority in the UAE, nor has the entity conducting the placement in the UAE received authorization or licensing from the Central Bank of the UAE, the SCA or any other authority in the UAE to market or sell the Shares within the UAE. The SCA accepts no liability in relation to the Fund and is not making any recommendation with respect to an investment in the Fund. No services relating to the Shares, including the receipt of applications and/or the allotment or redemption of such Shares, have been or will be rendered within the UAE by the Fund. Nothing contained in this Memorandum is intended to constitute UAE investment, legal, tax, accounting or other professional advice. This Memorandum is for the information of prospective investors only and nothing in this Memorandum is intended to endorse or recommend a particular course of action. Prospective investors should consult with an appropriate professional for specific advice rendered on the basis of their situation. No offer or invitation to subscribe for Shares or sale of Shares has been or will be rendered in, or to any persons in, or from, the Dubai International Finance Centre.

FOR PROSPECTIVE SHAREHOLDERS IN THE UNITED ARAB EMIRATES (IN THE DUBAI INTERNATIONAL FINANCIAL CENTRE)

This Memorandum relates to the Fund, which is not subject to any form of regulation or approval by the Dubai Financial Services Authority (the "DFSA"). The DFSA has no responsibility for reviewing or verifying this Memorandum or any other documents in connection with the Fund. Accordingly, the DFSA has not approved this Memorandum or any other associated documents nor taken any steps to verify the information set out in this Memorandum, and has no responsibility for it. The Shares to which this Memorandum relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers should conduct their own due diligence with respect to the Shares. Shares are not being offered to "retail

clients" as defined in the Conduct of Business Module of the DFSA. If you do not understand the contents of this Memorandum you should consult an authorized financial adviser.

FOR PROSPECTIVE SHAREHOLDERS IN THE UNITED KINGDOM

In the United Kingdom, this Memorandum is only available to persons who are (i) investment professionals within the meaning of Article 19 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "FPO") or Article 14 of the Financial Services and Markets Act 2000 (Promotion of Collective Investment Schemes) (Exemptions) Order 2001 (the "PCIS Order"), as applicable; (ii) high net worth companies and certain other entities falling within Article 49 of the FPO or Article 22 of the PCIS Order; or (iii) any other persons to whom the Shares may lawfully be promoted. It must not be acted, or relied upon by any other persons. The Fund has not been authorized or recognized by the Financial Conduct Authority and investors will not have the benefit of the Financial Services Compensation Scheme or other protections afforded of the United Kingdom regulatory system.

FOR PROSPECTIVE SHAREHOLDERS IN URUGUAY

The Fund is not established under the system provided by Uruguayan Law 16,774 of September 27, 1996, and has not been registered with the Central Bank of Uruguay. The Shares have not been registered with the Central Bank of Uruguay and will not be offered or sold in Uruguay through public offering.