**KONDOR FUND, SPC (the "Company")**

**MULTI-STRATEGY SEGREGATED PORTFOLIO ANNEX**
**DATED JANUARY 2017**

**TO THE PRIVATE PLACEMENT MEMORANDUM OF THE COMPANY**
**DATED JANUARY 2017**
**(as amended from time to time, the "MEMORANDUM")**

**TERMS OF THE MULTI-STRATEGY CLASS OF SHARES**
**PARTICIPATING IN MULTI-STRATEGY SEGREGATED PORTFOLIO**

*UNLESS DEFINED HEREIN DEFINED TERMS USED IN THIS ANNEX SHALL HAVE THE SAME MEANINGS AS IN THE MEMORANDUM*

*Statements in this Annex are made as of the date of this Annex. Statements made in the Memorandum that are not revised by this Annex are made as of the date of the Memorandum. Neither the delivery of the Annex and Memorandum, nor any sale made pursuant to those documents, shall in any circumstances imply that the information contained in this Annex or in the Memorandum is correct as of any time other than, respectively, the date of this Annex and the Memorandum.*

*In case of inconsistency between the terms set forth in the Memorandum and the terms set forth in this Annex, the terms set forth in this Annex shall prevail.*

## INVESTMENT OBJECTIVES

The primary investment objective of the Multi-Strategy Segregated Portfolio is to achieve superior risk-adjusted returns by trading and investing primarily in funds, bonds, stocks, currencies, options, interest rates, commodities, futures and derivatives. As the principals of the Manager have significant experience investing in Latin American Countries, it is expected that a significant number of investment opportunities will come from these markets. The Company on behalf of the Multi-Strategy Segregated Portfolio may also invest in any other country as the Manager may deem to be in the best interest of the Company.

The Company on behalf of the Multi-Strategy Segregated Portfolio will take a flexible and opportunistic approach to investment and to that end, is not subject to any specific investment restrictions, including restrictions on the proportion of assets which may be invested in securities of any category, issuer, industry or class.

On behalf of Multi-Strategy Segregated Portfolio, the Company may invest in customized over-the-counter derivative instruments sold by brokers and other financial institutions as an integral part of the investment strategy of Multi-Strategy Segregated Portfolio. Such "structured" or "engineered" products may assist the Manager in achieving a more precise investment exposure for the Multi-Strategy Segregated Portfolio than more generally traded instruments, such as indices and other instruments, may provide.

The Company's investment policies for the Multi-Strategy Segregated Portfolio allow it to lend its portfolio securities, engage in short sales of stocks and to utilize leverage instruments. The Company on behalf of the Multi-Strategy Segregated Portfolio will be able to borrow in order to act as a market maker for certain stocks in its portfolio. The Company on behalf of the Multi-Strategy Segregated Portfolio will have complete flexibility in the instruments and markets in which it may invest and investment techniques it may use to achieve its investment objectives. Therefore, the exact range of instruments and markets in which the Company on behalf of the Multi-Strategy Segregated Portfolio will take positions cannot be specified or assured in advance.

Moreover, the Company's investment policies for Multi-Strategy Segregated Portfolio allow it to invest part of its assets in various types of Latin American Countries fixed income securities and instruments, such as those issued by the Brazilian National Treasury or by the Brazilian Central Bank, or both. The Multi-Strategy Segregated Portfolio might be able to seek capital appreciation through an international fixed income securities and debt obligations of companies located globally, including, but not limited to, certificates of deposit, commercial papers, treasury notes, treasury bills and money market deposits or other mutual funds.

## THE MANAGER

Kondor Administradora e Gestora de Recursos Financeiros Ltda., a Brazilian *sociedade limitada* duly organised and validly existing in accordance with the laws of Brazil, and duly registered as a securities portfolio manager with CVM, with its office located at Avenida Angélica, 2346, 16º andar, Higienópolis, CEP 01228-200, São Paulo, SP, Brazil, acts as the Manager for and on behalf of Multi-Strategy Segregated Portfolio pursuant to an investment management agreement between the Company, on behalf of Multi-Strategy Segregated Portfolio, and the Manager (the "**Investment Management Agreement**").

Rodrigo de Almeida Veiga, who is the Director, is also director and partner of the Manager. Therefore, the fiduciary duties of Rodrigo de Almeida Veiga as Director may compete with or be different from the interests of the Manager.

Pursuant to the Investment Management Agreement, the Manager has the overall responsibility for the investment strategy of Multi-Strategy Segregated Portfolio, subject to the policies and control of the Directors. The Investment Management Agreement also provides that the Manager shall not be liable to the Company or its shareholders for any loss, damage, expense or claim occasioned by any act or omission of the Manager in connection with the performance of the Manager's services under the Investment Management Agreement other than as a result of the Manager's gross negligence (as such term is defined in the Investment Management Agreement), wilful misconduct, bad faith, dishonesty or fraud. The Investment Management Agreement contains an indemnity by the Company in favour of the Manager and its directors, officers, employees, shareholders and agents in respect of any expense, loss, liability or damage arising out of any claim asserted or threatened to be asserted by any third party in connection with the Manager's serving or having served as such pursuant to the Investment Management Agreement unless due to the Manager's gross negligence (as such term is defined in the Investment Management Agreement), willful misconduct, bad faith, dishonesty or fraud. Such indemnity has been granted by the Company on a limited recourse basis such that any indemnification claim will be limited to the assets of Multi-Strategy Segregated Portfolio.

The Investment Management Agreement shall continue for an indefinite term; provided that it may be terminated by either party giving not less than ninety (90) days prior written notice. The Investment Management Agreement may be terminated immediately in the event of the winding up of either party or upon the happening of a like event or if either party has committed a material breach of the provisions of the agreement and, if capable of remedy, the breaching party fails to remedy such breach within thirty (30) days after service of notice requiring it to be remedied.

The Investment Management Agreement is governed by the laws of the Cayman Islands.

**THE ADMINISTRATOR**

Banco Bradesco S.A., a company organized under the laws of the Federative Republic of Brazil with its principal office at Cidade de Deus, Vila Yara, City of Osasco, State of Sao Paulo, Brazil, acts as administrator (the "**Administrator**") of the Company on behalf of the Multi-Strategy Segregated Portfolio.

Pursuant to an administration agreement (the "**Administration Agreement**") between the Administrator and the Company on behalf of the Multi-Strategy Short Segregated Portfolio the Administrator determines on each Business Day the Net Asset Value per Share, the number of Multi-Strategy Class Shares for issue on each Purchase Day, the number and redemption price of Multi-Strategy Class Shares to be redeemed on each Redemption Day, the total amount receivable or payable by the Company in respect of such issues and redemptions and the amount of fees payable in respect of the Multi-Strategy Segregated Portfolio.

Under the Administration Agreement, neither the Administrator nor any of its employees shall, except in the case of fraud, willful misconduct or negligence, be liable for any losses suffered or incurred by the Company. Furthermore, the Company from the assets of the Multi-Strategy Segregated Portfolio indemnifies the Administrator and its employees against any losses which may be suffered or incurred by the Administrator or any of its employees from time to time in connection with the performance or non-performance of the Administrator's duties under the Administration Agreement except where such losses arise from the fraud, willful misconduct or negligence of the Administrator.

The Administration Agreement is governed by the laws of the Cayman Islands and is for an indefinite period, but may be terminated by either party on ninety (90) days prior written notice.

**THE SELLING AGENT**

Force Investments Ltd., an exempted company limited by shares incorporated under the laws of the Cayman Islands, with its registered office located at Elian Fiduciary Services (Cayman) Limited, 190 Elgin Avenue, George Town, Grand Cayman KY1-9007, Cayman Islands (the "**Selling Agent**"), acts as the selling agent for the Company, for and on behalf of Multi-Strategy Segregated Portfolio. Shares are sold directly by the Company, for and on behalf of Multi-Strategy Segregated Portfolio, on a self-underwritten basis, or on its behalf by the Selling Agent or certain dealers to be appointed by the Company, for and on behalf of Multi-Strategy Segregated Portfolio, or the Selling Agent from time-to-time on a best-efforts basis, provided, however, that any dealer or any third parties interested in selling the Shares must be qualified to make such sales in the jurisdictions where the Shares are eligible to be offered.

The remuneration of the Selling Agent or such dealers appointed by the Company, for and on behalf of Multi-Strategy Segregated Portfolio, will be paid solely by the Company, for and on behalf of Multi-Strategy Segregated Portfolio, being deducted from the fees, if any, that otherwise would be payable to the Manager. The Selling Agent shall have no claims against the Manager in respect of any due and unpaid amounts. The Selling Agent is solely responsible for any fees payable to dealers appointed by it.

Marc Kattan, who is one of the Directors, is also a director of the Selling Agent. Therefore, the fiduciary duties of Marc Kattan as a Director may compete with or be different from the interests of the Selling Agent.

The Selling Agent is the sole holder of the Ordinary Shares and accordingly controls the appointment and removal of Directors and only the Directors can appoint and remove the agents of the Company (such as each Manager and the Selling Agent).

## SUBSCRIPTION PROCEDURE

### General

Applications for subscriptions for the Multi-Strategy Class of Shares shall be made by eligible investors by sending a completed and executed Subscription Agreement and verification of identity documents to the Administrator at the address shown below. The Company in its absolute discretion may reject any application for subscriptions, in whole or in part.

A "**Purchase Day**" for the Multi-Strategy Class of Shares shall mean any Business Day. The minimum initial and subsequent subscriptions from each investor for the Multi-Strategy Class of Shares are US$100,000. The Directors may at any time waive these minimum requirements (provided that in no event shall the minimum initial subscription be less than the applicable minimum statutory amount per investor, currently US$100,000) for any particular investor or change any of the minimum requirement generally if in their absolute discretion they determine such waiver or change is in the best interests of the Company. The signed Subscription Agreement together with the verification of identity documents and the subscription price in cleared funds must be received by the Administrator by no later than 3:00 p.m. (Sao Paolo Standard Time) on the relevant Purchase Day. The Company, at its own discretion, may accept assets instead of cash for some subscriptions.

On the first Purchase Day, the Multi-Strategy Class of Shares will be issued at a price of US$100 per share. Thereafter, Multi-Strategy Class of Shares will be issued at a price based on the Net Asset Value per Share of the Multi-Strategy Class of Shares as of the relevant Purchase Day.

Subscription Agreements and verification of identity documents may be sent to the Administrator by facsimile or e-mail provided that the original certified copies of the verification of identity documents are forwarded promptly thereafter. Failure by an investor to remit all documentation in the proper form will delay all future redemption of his or her Shares until those documents are received.

Investors should note that neither the Company nor any agents of the Company shall have any responsibility or liability for any errors or damages that may arise as a result of using this facsimile or e-mail procedure unless it results from willful misfeasance, bad faith or negligence on the Company's or the Administrator's part in the performance of their duties, or from reckless disregard by them of their obligations.

Completed documents should be sent to the Administrator at the following address:

**Banco Bradesco S.A.**
Cidade de Deus, Predio Amarelo, 2º andar.
Vila Yara
Osasco

Sao Paulo
Brazil – 06029-900
Telephone: +55-11-3684.3365
Facsimile: +55 11 3684-5645
Email: bradoffshore@bradesco.com

Investors are also referred to the information regarding subscriptions set out in the "Subscription Procedure" Section of the Memorandum.

Payments in full of subscriptions should be made in U.S. Dollars by wire transfer in accordance with the following instructions:

Pay:

Payments must be made in USD net of bank charges-anything that sent in another currency will be converted by Banco Bradesco S.A. at the prevailing rate at investor's expense. Net amount received will be used as subscription.

Please note the instructions for a straight-through MT103 are as follows:

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|---|---|
| **Intermediary Bank:** | Bank of America N/A |
| **Swift:** | BOFAUS3N |
| **Bank of Beneficiary:** | Banco Bradesco S.A. – Grand Cayman Branch |
| **Swift:** | BBDEKYKY |
| **Benficiary Bank:** | DAC – Departamento de Ações e Custódia |
| Fund: | Kondor Fund, SPC – Multi-Strategy Segregated Portfolio |
| Fund Account: | 494571-000 |

Please effect the wire by either SWIFT MT100 or MT103 and ensure the bank charges are charged separately to your account and not netted from the payment. To avoid return of funds, the wire transfer must be sent from an account in the name of the Investor. The Investor's name must be included on line 50 of the SWIFT wire transfer message or the wire transfer must state "From the Account of ____________ (Investor name)". Please also note that there are varying length restrictions on Field 70 so the Sender of the SWIFT message must ensure the Receiver of the SWIFT message will be passing on the information to the ultimate beneficiary, Banco Bradesco S.A., to avoid delays in processing or return of funds.

**REDEMPTIONS**

Subject to certain exceptions, a "**Redemption Day**" for the Multi-Strategy Class of Shares will be any Business Day following the receipt by the Administrator of the Redemption Notice. The signed Redemption Notice must be received by the Administrator by no later than 3:00 p.m. Sao Paulo time on the relevant Redemption Day. Payment of redemption proceeds will generally be made on the Business Day after the date of the establishment of the redemption price. No redemptions will be made unless the Administrator has received the original copies of any documents that may have been requested by the Administrator as evidence of due authorization of such Subscription Agreement.

The right to redeem is contingent upon the Company having income, profits or share premium in its share premium account maintained for the Multi-Strategy Class of Shares or other funds referable to the Multi-Strategy Class of Shares sufficient, in the view of the Directors, to discharge its liabilities and to comply with the Companies Law. Shares may not be redeemed while the calculation of the Net Asset Value per Share of the Multi-Strategy Class of Shares is suspended.

The Directors may, in their absolute discretion, suspend the determination of the Net Asset Value and consequently the rights of redemption hereunder in such circumstances as they deem appropriate.

## FEES, COMPENSATION AND EXPENSES

### Management Fee

The annual rate of Management Fee applicable to the Multi-Strategy Class of Shares shall be 0.0001% per annum of the Net Asset Value per Class prior to the deduction of the Management Fee.

### Performance Fee

There is no Performance Fee payable in respect of the Multi-Strategy Class of Shares.

### Administration Fee

The Company, solely out of the assets of Multi-Strategy Segregated Portfolio, will pay the Administrator an annual fee as agreed with the Directors from time to time for its administration services in respect of Multi-Strategy Segregated Portfolio.

### Selling Agent Fee

The remuneration of the Selling Agent or such other dealers appointed by the Company, on behalf of Multi-Strategy Segregated Portfolio, will be paid solely by the Company, on behalf of Multi-Strategy Segregated Portfolio, being deducted from the fees, if any, that otherwise would be payable to the Manager.

### Redemption Fee

No redemption fee will be charged on the redemption of the Multi-Strategy Class of Shares.

**Manager**

Kondor Administradora e Gestora de Recursos Financeiros Ltda.
Avenida Angélica, 2346, 16º andar, Higienópolis
CEP 01.228-200
São Paulo, SP, Brazil

**Administrator**

Banco Bradesco S.A.
Cidade de Deus, Prédio Amarelo, Vila Yara
CEP 06029-900
Osasco, SP, Brazil

**Selling Agent**

Force Investments Ltd.
190 Elgin Avenue, George Town
Grand Cayman KY1-9007
Cayman Islands