No:

Provided to:

SUPPLEMENT

GAMA PEARL DIVER GLOBAL FLOATING INCOME SP

a segregated portfolio of

GAMA LIQUID ACCESS SPC

an exempted company incorporated with limited liability under the laws of the Cayman Islands with registration number 406148

GAMA INVESTIMENTOS LTDA
Investment Manager

December 2025

IMPORTANT NOTICES TO POTENTIAL INVESTORS

The Company is an exempted company incorporated with limited liability and registered as a segregated portfolio company under the Companies Act. This Supplement relates to the offering of participating shares attributable to Gama Pearl Diver Global Floating Income SP, a segregated portfolio of the Company. This Supplement should be read in conjunction with the Memorandum.

The Investment Manager will invest substantially all of the assets of the Company attributable to the Portfolio (other than amounts utilised to meet paying Portfolio Expenses and other fees, costs, claims and expenses attributable to the Portfolio) in equity interests of Pearl Diver Floating Rate Global Income (Cayman) Feeder Fund, a Cayman Islands exempted company (the ***Underlying Feeder Fund***). The Underlying Feeder Fund will, in turn, invest substantially all of its assets in equity interests of Pearl Diver Floating Rate Global Income Master Fund (the ***Underlying Master Fund*** and, together with the Underlying Feeder Fund, being referred to in this Supplement collectively or individually, as the context requires, as the ***Underlying Fund***).

The Company's investment, for the account of the Portfolio, in the Underlying Fund will be governed by the terms of the prospectus relating to the private offering of equity interests by the Underlying Fund as amended or supplemented from time to time (the ***Underlying Fund Memorandum***) and the amended and restated articles of association of the Underlying Fund (as the same may be amended, restated, waived or otherwisfe modified from time to time, the ***Underlying Fund M&A***). The Underlying Fund Memorandum and the Underlying Fund M&A are referred to herein as the ***Underlying Fund Documents*** and are available upon request from the Investment Manager.

Reliance on this Memorandum

Participating Shares are being offered only on the basis of the information contained in the Memorandum and this Supplement. Any further information or representations given or made by any dealer, broker or other person should be disregarded and accordingly, should not be relied upon. No person has been authorised to give any information or to make any representations in connection with the offering of Participating Shares other than those contained in the Memorandum and this Supplement and, if given or made, such information or representations must not be relied on as having been authorised by the Directors.

Certain information contained in this Supplement constitutes "forward-looking statements", which can be identified by the use of forward-looking terminology such as "may", "will", "should", "expect", "anticipate", "project", "estimate", "intend", "believe", the negatives of such words, other variations of such words or comparable terminology. Due to various risks and uncertainties, including those described in the sections in the Memorandum headed "Risk Factors" and "Conflicts of Interest" and the section in this Supplement headed "Risk Factors", actual events or results or the actual performance of the Portfolio may differ materially from that anticipated in such forward-looking statements.

No representations or warranties of any kind are intended or should be inferred with respect to the economic return from, or the tax consequences of, an investment in the Portfolio. Before making an investment in the Portfolio prospective investors should review the Memorandum and this Supplement carefully and in their entirety. Prospective investors should consult with their legal, tax and financial advisers as to any legal, tax, financial or other consequences of subscribing for, purchasing, holding, redeeming or disposing of Participating Shares in their country of citizenship, residence and/or domicile.

This Supplement contains a summary of some of the provisions of the Underlying Fund Documents which will apply to the Company, acting for the account of the Portfolio, in its capacity as an investor in the Underlying Fund. A prospective investor must be aware that such provisions are a summary only, may not be complete and may not be accurate if the Underlying Fund Documents subsequently change for any reason. The Underlying Fund Documents may be amended, varied or restated from time to time and the Company shall not be required to provide copies of such amended, varied or restated Underlying Fund Documents to Shareholders or inform them of the corresponding changes.

Risks

An investment in the Portfolio carries substantial risk. There can be no assurance that the investment objective of the Portfolio will be achieved and investment results may vary substantially over time. An investment in the Portfolio is only suitable for sophisticated investors who are able to bear the loss of a substantial portion or even all of their investment in the Portfolio. An investment in the Portfolio is not intended to be a complete investment programme for any investor.

There is no public market for Participating Shares, nor is a public market expected to develop in the future.

Complaints

AS REQUIRED BY REGULATORY MEASURES ADOPTED BY CIMA, INVESTORS ARE ADVISED THAT THEY MAY REPORT ANY COMPLAINTS RELATING TO THE OPERATIONS OF THE COMPANY TO THE INVESTMENT MANAGER FOR FURTHER HANDLING BY THE GOVERNING BODY OF THE COMPANY.

Potential investors should carefully consider the risk factors set out in the sections of the Memorandum and this Supplement headed "Risk Factors" when considering whether an investment in the Portfolio is suitable for them in light of their circumstances and financial resources. Investors are advised to seek independent professional advice on the implications of investing in the Portfolio.

DIRECTORY

Gama Pearl Diver Global Floating Income SP

a segregated portfolio of

Gama Liquid Access SPC

Directors	Ian Marcus Caó Dias Bernardo Queima Alves dos Santos Lee Moroney William Rinehart
Registered Office	Catalyst Fund Services Flagship Building, 2nd Floor 70 Harbour Drive P.O. Box 1096 KY1-1102, George Town Grand Cayman Cayman Islands
Investment Manager and contact address for the principals of the Investment Manager	Gama Investimentos Ltda Av. Brig. Faria Lima, 4300 2nd Floor Vila Olímpia São Paulo SP, 04538-132 Brazil
Administrator	Catalyst Fund Administration Flagship Building, 2nd Floor 70 Harbour Drive P.O. Box 1096 KY1-1102, George Town Grand Cayman Cayman Islands
Principal Office Provider	Catalyst Fund Administration Flagship Building, 2nd Floor 70 Harbour Drive P.O. Box 1096 KY1-1102, George Town Grand Cayman Cayman Islands
Auditors	PricewaterhouseCoopers 18 Forum Lane Camana Bay P.O. Box 258 Grand Cayman Cayman Islands

Legal Adviser as to Cayman Islands law	Harney Westwood & Riegels 3rd Floor, Harbour Place 103 South Church Street PO Box 10240 KY1-1002 Grand Cayman Cayman Islands

CONTENT

DEFINITIONS

In this Supplement capitalised terms have the meanings set out in the Memorandum unless otherwise defined below:

AIFMD	Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers, as transposed into national law and regulation, and any applicable regulations made thereunder.
Business Day	any day on which banks in the Cayman Islands, London and New York are authorised to open for normal banking business and/or such other day or days as the Directors may determine, either generally or in any particular case.
Class PB Share	a Participating Share designated as a Class PB Share.
Class WS Share	a Participating Share designated as a Class WS Share.
IFRS	International Financial Reporting Standards issued by the International Accounting Standards Board.
Initial Offer Period	in relation to any Class, the period determined by the Directors during which Participating Shares of that Class are first offered for subscription, which will commence on the date that this Supplement is first issued to prospective subscribers and end at such time and on such day as the Directors may determine.
Management Fee	the management fee payable by the Company, out of the assets of the Portfolio, to the Investment Manager pursuant to the Investment Management Agreement.
Memorandum	the private placement memorandum of the Company, as amended from time to time.
Minimum Holding	Participating Shares with an aggregate Net Asset Value of not less than US$10,000 or such lesser amount as the Directors may determine, either generally or in any particular case.
Net Asset Value	the net asset value of the Portfolio, the relevant Class or a Participating Share, as the case may be, determined as described in the section of the Memorandum headed “Net Asset Value”.
Net Asset Value per Share	in respect of a Participating Share of any Class, the Net Asset Value of the relevant Class divided by the number of Participating Shares of such Class in issue.
Participating Share	a participating, redeemable, non-voting share of par value US$0.01 in the capital of the Company attributable to the Portfolio and being offered for subscription under the terms of the Memorandum and this Supplement.

Portfolio	Gama Pearl Diver Global Floating Income SP, a segregated portfolio of the Company established in accordance with the Articles.
Redemption Day	the last Business Day of each month and such other day or days as the Directors may determine, either generally or in any particular case.
Redemption Price	the price per share at which Participating Shares of the relevant Class may be redeemed, calculated in the manner described in the section of this Supplement headed "Redemptions".
Subscription Day	each Tuesday (or if such day is not a Business Day, the immediately following Business Day) other than the last Tuesday of each calendar month and/or such other day or days as the Directors may determine, either generally or in any particular case. For the avoidance of doubt, the last Tuesday of each calendar month will not be a Subscription Day.
Subscription Price	the price per share at which Participating Shares may be issued after the close of the Initial Offer Period, calculated in the manner described in the section of this Supplement headed "Subscriptions".
Underlying Feeder Fund	Pearl Diver Floating Rate Global Income (Cayman) Feeder Fund, a Cayman Islands exempted company.
Underlying Fund	means, collectively or individually as the context requires, the Underlying Feeder Fund and the Underlying Master Fund.
Underlying Fund Business Day	any day on which banks are open for business in London and New York and/or such other place or places as the directors of the Underlying Fund may from time to time determine.
Underlying Fund Documents	the Underlying Fund Memorandum and the Underlying Fund M&A.
Underlying Fund M&A	the amended and restated articles of association of the Underlying Fund, as the same may be amended, restated, waived or otherwise modified from time to time.
Underlying Fund Memorandum	the prospectus relating to the private offering of equity interests by the Underlying Fund, as amended or supplemented from time to time.
Underlying Fund Redemption Day	the last calendar day (or if such day is not an Underlying Fund Business Day, the immediately preceding Underlying Fund Business Day) of each month and/or such other day or days as the directors of the Underlying Fund may from time to time determine either generally or in any particular case.

Underlying Manager	means, collectively or individually, as the context requires, the manager, investment manager or investment adviser of the Underlying Fund, being initially Pearl Diver Floating Rate Global Income GP Ltd, a Guernsey non-cellular company, in its capacity as investment manager of the Underlying Fund, and Pearl Diver Capital LLP, a limited liability partnership formed in England and Wales, in its capacity as the investment adviser to the Underlying Fund.
Underlying Master Fund	Pearl Diver Floating Rate Global Income Master Fund, a Cayman Islands exempted company.
Valuation Day	each Redemption Day and Subscription Day and/or such other day or days as the Directors may determine, either generally or in any particular case.

THE PORTFOLIO

ESTABLISHMENT

The Portfolio was established on 11 February 2024.

PARTICIPATING SHARES

The Directors have created and designated two Classes in respect of the Portfolio, being Class WS Shares and Class PB Shares, which are being offered under the terms of the Memorandum and this Supplement.

At any time the Directors may create and designate additional Classes in respect of the Portfolio without notice to, or the consent of, the Shareholders. The Directors may differentiate between Classes on various bases, including as to the Dealing Currency, the fees payable, the level of information provided and redemption rights.

DEALING CURRENCY

The Dealing Currency of the Class WS Shares and Class PB Shares is the US Dollar. Subscriptions for, and redemptions of, Participating Shares of a Class will be processed in the relevant Dealing Currency, and the Net Asset Value per Share of the Class will be calculated and quoted in such Dealing Currency.

NET ASSET VALUE CALCULATION

In calculating the Net Asset Value of the Portfolio and its Participating Shares, the Administrator shall be entitled to rely on “estimated values” of portfolio securities or other assets held by the Portfolio in the Underlying Fund if, for any reason, the final value of portfolio securities or other assets in the Underlying Fund has not been provided to the Administrator by the time the Net Asset Value calculation is to be prepared or, if the Underlying Fund is not valued with the same frequency as the Portfolio.

In such circumstances, the Net Asset Value of the Portfolio and its Participating Shares shall be calculated on the basis of such “estimated values” supplied by the administrators, valuation agents and/or the Underlying Manager of the Underlying Fund will be final and conclusive on all Shareholders for the relevant period and not subject to retrospective adjustment (upward or downward) if the “estimated value” of the portfolio securities or other assets held by the Portfolio in the Underlying Fund supplied by the relevant administrators, valuation agents and/or the Underlying Manager of the Underlying Fund later turns out to be incorrect (save that in the event that the “estimated values” supplied by the relevant administrators, valuation agents and/or the Underlying Manager of the Underlying Fund later prove to be materially incorrect, the Investment Manager may instruct the Administrator to adjust any relevant Net Asset Value previously determined and adjust the number of Participating Shares held by a Shareholder and, where practicable, the redemption proceeds payable or to be paid to a Shareholder who has elected to redeem). The Administrator shall not be liable to the Company by reason of any error in the calculation of the Net Asset Value of the Portfolio and its Participating Shares resulting from “estimated values” provided by the administrators, valuation agents and/or the Underlying Manager of the Underlying Funds.

INVESTMENT OBJECTIVE, STRATEGIES AND RESTRICTIONS

INVESTMENT OBJECTIVE

The investment objective of the Portfolio is to achieve long-term capital appreciation by investing at least 95% of its net available assets in equity interests of the Underlying Feeder Fund.

The Underlying Feeder Fund will, in tun, invest in the Underlying Master Fund. The Underlying Master Fund will implement a strategy based on a rigorous research process to define portfolio allocations in Collateralized Loan Obligations (***CLOs***).

The Underlying Fund will aim to preserve capital. It will do so by targeting CLOs, with strong underlying portfolios. Through a rigorous analysis of the fundamental credit quality of the underlying senior secured leveraged loans, the Underlying Fund will fully underwrite each investment opportunity before any investment, and on an ongoing basis throughout the holding period of each bond. The Underlying Manager has a dedicated credit team responsible for analysing the underlying loans in the CLO, and they will generate the modelling inputs such as default probabilities, projected recovery and prepayment rates, as well as potential call dates. All Investments will be analysed under multiple stress cases.

This Supplement describes the principal terms that apply to an investment in the Portfolio and certain other information that relates specifically to the offering of Class WS Shares and Class PB Shares. This is not an offering of interests in the Underlying Fund, although a prospective investor should be fully informed about the Underlying Fund in making an investment decision.

There can be no assurance that the investment objective will be achieved.

LIMITATIONS ON DESCRIPTION OF UNDERLYING FUND

Subscribers should be aware that the information regarding the investment objectives of the Underlying Fund set out in this Supplement are limited to that set forth as of the date of this Supplement in the Underlying Fund Documents, which are available upon request from the Investment Manager, subject to any applicable confidentiality restrictions.

Additionally, any subscriber should be aware that the Underlying Fund has very broad discretion on how to invest monies received from the Company for the account of the Portfolio and, accordingly, subscribers should only invest in Participating Shares of the Portfolio if they are willing to invest in reliance on the quality of the Underlying Fund rather than on a predetermined specification as to what the investment could comprise.

The terms of the Underlying Fund which are summarised in this Supplement are not binding on subscribers who invest in Participating Shares of the Portfolio. Subscribers should, however, read the entirety of this Supplement before making a decision whether to invest in the Portfolio as the terms described govern the relationship between the Company, acting for the account of the Portfolio, and the Underlying Fund. The Underlying Fund Documents might be amended from time to time and the Company, acting for the account of the Portfolio, might be asked to consent to such an amendment. The Company will exercise its discretion to act in the best interest of the Shareholders in deciding on whether or not to agree to such amendments. The Underlying Fund Documents may be amended, varied or restated from time to time and the Company shall not be required to provide copies of such amended, varied or restated Underlying Fund Documents to Shareholders or inform them of the corresponding changes.

Unless otherwise expressly stated, the following is a summary of the principal terms of the Underlying Fund based on the summary of principal terms contained in the Underlying Fund Memorandum, the terms of which are subject to change. The terms of the documentation constituting and relating to the Underlying Fund may be subject to further material amendments in connection with further negotiations with prospective investors and the finalised terms of the Underlying Fund may be different from those summarised herein or provided in the materials referenced herein. The legal and offering documentation pertaining to the Underlying Fund may be subject to confidentiality restrictions and may not be made available to the subscribers. Each subscriber will be required to acknowledge in its, his or her Subscription Agreement that it, he or she (a) has had the opportunity to ask questions and receive answers with regard to such terms and/or (b) has the opportunity to ask questions with regard to the final terms of the Underlying Fund.

The summary of the principal terms of the Underlying Fund in this Supplement is qualified in its entirety by reference to the detailed provisions of the Underlying Fund Documents and related documents as further amended from time to time. The information contained in this Supplement has been obtained from and/or prepared by external sources believed to be reliable, however the accuracy or completeness of the information regarding the Underlying Fund cannot be assured. The information contained herein relating to the Underlying Fund, the Underlying Manager and/or any of their affiliates was obtained by the Investment Manager from the Underlying Fund Memorandum and certain other materials furnished by the Underlying Fund to prospective investors in the Underlying Fund. None of the Underlying Fund, the Underlying Manager or any of their affiliates makes any representation regarding, and each of them expressly disclaims any liability or responsibility to any Shareholder for, such information or any other information relating to the Underlying Fund, the Underlying Manager, and/or any of their affiliates set forth herein or omitted herefrom. Such information and the summary of it herein (i) has not been independently verified by the Company, the Directors, the Investment Manager, the Administrator or any of their respective affiliates; and (ii) does not necessarily reflect the views or opinions of the Investment Manager or any of its affiliates.

The Underlying Fund, the Underlying Manager, any of their respective affiliates and each officer, director, partner, member, manager, employee and shareholder of the foregoing are not and shall not be responsible for the contents of this Supplement, and have not made any representation, express or implied, with respect to the accuracy or completeness of information relating to the Underlying Fund or any other information set forth in this Supplement.

The Underlying Fund, the Underlying Manager and any of their respective affiliates, partners, members, advisors, officers, employees, managers, consultants and agents do not bear any responsibility for the accuracy of any information contained herein and have not undertaken any responsibility for updating any information contained herein.

Neither the Underlying Fund nor the Underlying Manager is responsible for the offering of the Participating Shares. An investment in the Participating Shares is not equivalent to an investment in the Underlying Fund.

Shareholders will not be parties to the governing documents of the Underlying Fund and, accordingly, will not have any rights thereunder and will have no standing or recourse against the Underlying Fund, the Underlying Manager and their respective affiliates, officers, directors, partners, managers, shareholders, employees or members. Applicants should note that certain terms applicable to a Shareholder differ from those applicable to an investor that directly holds an interest in the Underlying Fund, notwithstanding that the Company, for the account of the Portfolio, holds an interest in the Underlying Fund.

In the event that the descriptions or terms summarised in this Supplement are inconsistent with or contrary to the descriptions in, or terms of, the Underlying Fund Documents or such related documents, the terms of the Underlying Fund Documents or such related documents shall prevail.

INVESTMENT STRATEGIES

The Investment Manager will seek to achieve the investment objective by investing substantially all of the assets of the Company attributable to the Portfolio (other than amounts utilised to meet paying Portfolio Expenses and other fees, costs, claims and expenses attributable to the Portfolio or to create reserves for the same) in equity interests of the Underlying Feeder Fund. The Underlying Feeder Fund will, in turn, invest substantially all of its assets in equity interests of the Underlying Master Fund.

Underlying Fund Investment Objective and Investment Strategies

The following paragraphs in this section describe the investment objective and strategy of the Underlying Fund, as described in the Underlying Fund Documents.

The investment objective of the Underlying Fund is to generate returns by investing in a diversified portfolio of CLOs.

The Underlying Fund's investment strategy is to acquire CLO investments in the secondary, and primary and the reset /refinance markets in CLOs to achieve the following investment aims:

- Firstly, it will aim to preserve capital. It will do so by targeting CLOs, with strong underlying portfolios. Through a rigorous analysis of the fundamental credit quality of the underlying senior secured leveraged loans, the Underlying Fund will fully underwrite each investment opportunity before any investment, and on an ongoing basis throughout the holding period of each bond. The Underlying Manager has a dedicated credit team responsible for analysing the underlying loans in the CLO, and they will generate the modelling inputs such as default probabilities, projected recovery and prepayment rates, as well as potential call dates. All Investments will be analysed under multiple stress cases.

- Secondly, the Underlying Fund aims to protect from any rise in interest rates through investing mostly in floating rate CLOs, which are by their nature hedged against interest rate rises.

- Thirdly, the Underlying Fund will attempt to mitigate liquidity risk. It will do so by targeting CLOs issued by well-established managers which should maintain their value better in a market sell off.

- Fourthly, the Underlying Fund will aim to minimise the possibility of idiosyncratic risk, through investing in a diverse portfolio of bonds. Each of these bonds will be collateralized by a highly diverse pool of senior secured leveraged loans. These two layers of diversity should allow the Underlying Fund as a whole to reduce the potential idiosyncratic risks.

Ultimately, the Underlying Fund will seek to optimise returns against potential volatility through a carefully designed asset allocation policy and dynamic management of the portfolio's weighted average Modified Duration and Discount Margin whilst taking into consideration any possible risks. Hedging will be applied where necessary.

The fully ramped portfolio will target a minimum of 50% of the portfolio investments by value having long term initial ratings of at least BB-/Ba3. The Underlying Manager may at a future date seek to include a bucket of maximum 20% minority CLO equity positions with consent of the directors of the Underlying Fund.

The Underlying Fund may invest in a limited range of financial derivative instruments, including, without limitation, over the counter instruments focussed on indices, purely for hedging purposes including, without limitation, currency forwards and options, credit default swaps and interest rate futures to hedge risk according to the Underlying Manager's market view. All counterparties in over-the-counter transactions shall be a financial institution or its equivalent in the relevant jurisdiction regulated and supervised by the local regulatory authority.

Furthermore, the Underlying Fund may target holding around 5% of its assets in cash and/or cash equivalents for liquidity and/or treasury management of the Underlying Fund, subject to submitted redemption requests or subscription proceeds received, from time-to-time.

New trading strategies will be added as investment opportunities present themselves, provided that the shareholders of the Underlying Fund, including the Company for the account of the Portfolio, are notified in writing of any such change at least one calendar month prior to its effective date.

Such investments involve a high degree of business and financial risk that can result in substantial losses. The Underlying Fund's investment performance may be volatile, and investors could potentially lose all amounts invested.

SUMMARY OF PRINCIPAL UNDERLYING FUND TERMS

Underlying Fund	Pearl Diver Floating Rate Global Income (Cayman) Feeder Fund, a Cayman Islands exempted company (the ***Underlying Feeder Fund***) operates as an open-ended investment company. The Underlying Feeder Fund will, in turn, invest substantially all of its assets in equity interests of Pearl Diver Floating Rate Global Income Master Fund (the ***Underlying Master Fund*** and, together with the Underlying Feeder Fund, being referred to in this Supplement collectively or individually, as the context requires, as the ***Underlying Fund***).
Investment Objective and Investment Strategies of the Underlying Fund	These are described above in the section headed "Investment Strategies".
Investment Manager	The investment manager of the Underlying Feeder Fund and the Underlying Master Fund is Pearl Diver Floating Rate Global Income GP Ltd, a non-cellular company incorporated in Guernsey with limited liability on 24 January 2018 with registration number 64592. Such investment manager has been appointed as the alternative investment fund manager of the Underlying Feeder Fund and Underlying Master Fund for the purposes of the AIFMD and does not have discretion to cause the Underlying Feeder Fund to invest in any entity or asset (excluding reasonable cash reserves to pay expenses of the Underlying Feeder Fund) other than shares in the Underlying Master Fund.
Investment Adviser	Pearl Diver Capital LLP has been appointed as investment adviser to Pearl Diver Floating Rate Global Income GP Ltd in respect of the Underlying Feeder Fund and the Underlying Master Fund pursuant to the Advisory Agreement between Pearl Diver Floating Rate Global Income GP Ltd, the Underlying Fund and Pearl Diver Capital LLP.

Subscriptions	Shares in the Underlying Feeder Fund (the ***Underlying Shares***) are generally available for subscription each Tuesday (or if such day is not an Underlying Fund Business Day, the immediately preceding Underlying Fund Business Day) of each week. If a Tuesday falls within 2 Underlying Fund Business Days of the last Underlying Fund Business Day of the month, then the last Underlying Fund Business Day will be a subscription day instead of the relevant Tuesday, or such other day or days as determined by the directors in order to reflect the dealing frequency of the Underlying Fund provided that Shareholders will be notified in advance and/or such other day or days as the directors of the Underlying Feeder Fund may determine either generally or in any particular case. Underlying Shares are offered at a subscription price equal to the applicable net asset value per share of the relevant class as the valuation day immediately preceding the applicable subscription day on which the application is effective.
Redemptions	The Class F Shares, Class I Shares, Class I (CLP Hedged) Shares, Class I (BRL Hedged) Shares, Class M Shares and Class S Shares are redeemable at the option of the applicable shareholder on the first Underlying Fund Redemption Day following the expiry of 30 calendar Days from the date of receipt by the administrator of a completed redemption request (or such lesser period as the directors of the Underlying Feeder Fund may generally or in any particular case determine). The redemption price per Underlying Share will be equal to the net asset value per share of the relevant class of Underlying Shares as at the valuation day immediately preceding the relevant Underlying Fund Redemption Day. The redemption price paid to a redeeming shareholder shall be net of any applicable fees payable. No redemption fees are payable in respect of any class of Underlying Shares.
Valuation Day	The net asset value of the Underlying Fund will be calculated at the applicable valuation point on the Underlying Fund Business Day immediately preceding a subscription day or an Underlying Fund Redemption Day, as the case may be, and/or such other day or days as the directors of the Underlying Fund may from time to time determine either generally or in any particular case. The valuation point with respect to any security or investment denominated in the currencies of Australia, New Zealand, Japan or any other country within Asia or Australasia, will be the closing time of the appropriate local exchange on the relevant valuation day, unless the directors of the Underlying Fund determine otherwise either generally or in any particular case.

Valuations

Assets of the Underlying Master Fund will be valued in accordance with the following principles:

- the value of any cash on hand or with banks, bills and notes payable on sight and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received shall be deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full, in which case the value thereof shall be arrived at after making such discount as the Underlying Manager may consider appropriate in such case to reflect the true value thereof;

- any security which is listed or quoted on any securities exchange or similar electronic system and regularly traded thereon will be valued at: (i) its closing price, if such market is closed at the valuation point on the relevant valuation day; or (ii) at the last traded price, if such market is open as at the valuation point on the relevant valuation day and there have been one or more trades executed in the market within the fifteen minutes preceding such valuation point; or (iii) the last quoted mid-market price if no trades have been executed in the market within the fifteen minutes preceding the valuation point on the relevant valuation day, as adjusted in such manner as Pearl Diver Floating Rate Global Income GP Ltd, acting on the advice of Pearl Diver Capital LLP, thinks fit, having regard to the size of the holding, and where prices are available on more than one exchange or system for a particular security the price will be the closing price or last traded price or last quoted mid-market price, as the case may be, on the exchange which constitutes the main market for such security or the one which Pearl Diver Floating Rate Global Income GP Ltd in its sole discretion determine provides the fairest criteria in ascribing a value to such security;

- any security which is not listed or quoted on any securities exchange or similar electronic system or if, being so listed or quoted, is not regularly traded thereon or in respect of which no prices as described above are available, will be valued at its fair value as at the valuation point as determined by Pearl Diver Floating Rate Global Income GP Ltd on the advice of Pearl Diver Capital LLP in good faith having regard to various factors, including, but not limited to, its cost price, the price at which any recent transaction in the security may have been effected, the size of the holding having regard to the total amount of such security in issue, market realisation events in relation to the same or similar securities, broker quotes for the same or similar securities, valuation models using observable and estimated inputs, third party pricing service providers, and such other factors and methods as Pearl Diver Floating Rate Global Income GP Ltd on the advice of Pearl Diver Capital LLP deems relevant in considering a positive or negative adjustment to the valuation;

- units or shares of an open-ended investment vehicle will be valued at their last determined and available official net asset value, as reported or provided by such investment vehicle or its agents, or, if such price is not representative of the fair market value of such assets, then the price shall be determined by Pearl Diver Floating Rate Global Income GP Ltd on the advice of Pearl Diver Capital LLP on a fair and equitable basis. Units or shares of a closed-ended investment vehicle will be valued in accordance with the valuation rules set out in the second and third bullet points above.

- investments, other than securities and OTC derivative contracts, which are dealt in or traded through a clearing firm or an exchange or through a financial institution will be valued as the valuation point on the relevant valuation day by reference to the most recent official settlement price quoted by that clearing house, exchange or financial institution. If there is no such price, then the average will be taken between the lowest offer price and the highest bid price as at the valuation day on any market on which such investments are or can be dealt in or traded, provided that where such investments are dealt in or traded on more than one market, Pearl Diver Floating Rate Global Income GP Ltd on the advice of Pearl Diver Capital LLP may determine at its discretion which market shall prevail;

- investments, other than securities, including OTC derivative contracts, which are not dealt in or traded through a clearing firm or an exchange or through a financial institution will be valued at their fair value;

- deposits will be valued at their cost plus accrued interest;

- CLOs are valued on the basis of independent pricing, provided by a third party valuation provider. These valuations will be provided on a no less than monthly basis, with the prices provided on the valuation day. The Underlying Master Fund may, from time to time, employ more than one third party valuation provider, in which case the value used will be the average of all prices provided. The values used for rated CLO tranches will include the accrual of the next distribution, as these accruals are included when the CLOs are traded in the secondary market. Valuations of unrated CLO tranches will not include any explicit accrual. Any valuation provided by the third party valuation may be challenged by Pearl Diver Capital LLP, who will be able to send information to such provider in support of such challenge. The Underlying Master Fund's authorized auditor will review the appropriateness of the valuation methodology used in valuing CLOs;

- credit default swaps are valued based on a market value obtained by external price providers. The calculation of the market value is based on the credit risk of the issuer, the maturity of the credit default swap and its liquidity on the secondary market. If no such market input data are available, credit default swaps will be valued at their fair value pursuant to a valuation method adopted at that time by Pearl Diver Floating Rate Global Income GP Ltd, acting on the advice of Pearl Diver Capital LLP, which shall be a valuation method widely accepted as good market practice (i.e. used by active participants on setting prices in the market place or which has demonstrated to provide reliable estimate of market prices) provided that adjustments that Pearl Diver Floating Rate Global Income GP Ltd, acting on the advice of Pearl Diver Capital LLP, may deem fair and reasonable be made. The valuation method is recognized by the directors of the Underlying Master Fund and the Underlying Master Fund's authorized auditor will review the appropriateness of the valuation methodology used in valuing credit default swaps where no such market input data are available;

- total return swaps will be valued at fair value under procedures approved by Pearl Diver Floating Rate Global Income GP Ltd on the advice of Pearl Diver Capital LLP. As these swaps are not exchange-traded, but are private contracts into which the Underlying Master Fund and a swap counterparty enter as principals, the data inputs for valuation models are usually established by reference to active markets. However it is possible that such market data will not be available for total return swaps near the valuation day. Where such markets inputs are not available, quoted market data for similar instruments (eg. a different underlying instrument for the same or a similar reference entity) will be used provided that appropriate adjustments be made to reflect any differences between the total return swaps being valued and the similar financial instrument for which a price is available. Market input data and prices may be sourced from markets, a broker, an external pricing agency or a counterparty. If no such market input data are available, total return swaps will be valued at their fair value pursuant to a valuation method adopted at that time by Pearl Diver Floating Rate Global Income GP Ltd on the advice of Pearl Diver Capital LLP which shall be a valuation method widely accepted as good market practice (i.e. used by active participants on setting prices in the market place or which has demonstrated to provide reliable estimate of market prices) provided that adjustments that Pearl Diver Floating Rate Global Income GP Ltd on the advice of Pearl Diver Capital LLP may deem fair and reasonable be made. The Underlying Master Fund's authorised auditor will review the appropriateness of the valuation methodology used in valuing total return swaps where no such market input data are available. The Underlying Master Fund will always value total return swaps on an arm's-length basis. All other swaps will be valued at fair value as determined in good faith pursuant to procedures established where necessary from time-to-time by Pearl Diver Floating Rate Global Income GP Ltd on the advice of Pearl Diver Capital LLP;

- the value of contracts for differences will be based on the value of the underlying assets and vary similarly to the value of such underlying assets. Contracts for differences where necessary from time-to-time will be valued at fair market value, as determined in good faith pursuant to procedures established by Pearl Diver Floating Rate Global Income GP Ltd on the advice of Pearl Diver Capital LLP;

- assets or liabilities denominated in a currency other than that in which the relevant net asset value per share will be expressed, will be converted at the relevant foreign currency spot rate as at the valuation point on the relevant valuation day. If such quotations are not available, the rate of exchange will be determined in good faith by Pearl Diver Floating Rate Global Income GP Ltd on the advice of Pearl Diver Capital LLP. In that context account shall be taken of hedging instruments used to cover foreign exchanges risks;

- index or financial instrument related swaps will be valued at fair market value established by reference to the applicable index or financial instrument. The valuation of the index or financial instrument related swap agreement shall be based upon the market value of such swap transaction, which is subject to parameters such as the level of the index, interest rates, equity dividend yields and estimated volatility. When required, an appropriate model, as determined by Pearl Diver Floating Rate Global Income GP Ltd on the advice of Pearl Diver Capital LLP, will be used to value the Underlying Master Fund strategies. Pearl Diver Floating Rate Global Income GP Ltd and Pearl Diver Capital LLP have the right to check the valuations of the swap agreements by comparing them with valuations requested from a third party produced on the basis of retraceable criteria. In the event of any doubt, Pearl Diver Floating Rate Global Income GP Ltd is obliged to have the valuations checked by a third party. The valuation criteria must be chosen in such a way that they can be verified by the Underlying Fund's authorised auditor. Furthermore, the authorised auditor will carry out their audit of the Underlying Fund, including an audit of any valuation procedures adopted relating to the swap agreements.

All other securities, instruments and other assets will be valued at fair market value as determined in good faith pursuant to procedures established where necessary from time-to-time by Pearl Diver Floating Rate Global Income GP Ltd on the advice of Pearl Diver Capital LLP.

Investment Management Fees	Pearl Diver Floating Rate Global Income GP Ltd, in its capacity as the investment manager of the Underlying Fund, is entitled to an investment management fee from the Underlying Fund equal to 1/12 of the following percentages (or a pro rata proportion thereof) per calendar month in respect of the net asset value of each class of Underlying Shares:

Share Class	Investment Management Fee (%)
Class F Shares	0.5
Class S Shares	0.5
Class I Shares	1.0
Class I (CLP Hedged) Shares	1.0
Class I (BRL Hedged) Shares	1.0

No investment management fee is payable in respect of the Class M Shares.

The investment management fee is deemed to accrue monthly (in each case before deduction of that calendar month's investment management fee and before deduction for any accrued performance fees) as at the last valuation day in each calendar month and is payable to Pearl Diver Floating Rate Global Income GP Ltd in arrears within 14 calendar days of the end of each calendar month.

Performance Fees	Pearl Diver Floating Rate Global Income GP Ltd, in its capacity as the investment manager of the Underlying Fund, is also entitled to receive a performance fee equal to 10% of the net appreciation in the net asset value per share of the applicable classes with respect to a particular calculation period (being one calendar month generally) above the applicable high water mark.
Transfers	Transfers of the Underlying Shares are subject to the consent of the directors of the Underlying Fund.
Administrator	BNP Paribas Financial Services, LLC acts as the administrator to the Underlying Fund.
Auditors	Deloitte & Touche acts as the auditors to the Underlying Fund.

DIVERSIFICATION AND INVESTMENT RESTRICTIONS

The Company's primary investment strategy for the Portfolio is to invest substantially all of its assets in the Underlying Fund and, consequently, is not subject to any limitations or requirements in relation to the diversification of its investments.

LEVERAGE

The Company does not expect to employ any leverage in respect of the Portfolio as part of the investment strategies.

DISTRIBUTION POLICY

It is not envisaged that any income or gains derived from investments will be distributed by way of dividend. However, this does not preclude the Directors from declaring a dividend at any time in the future if they consider it appropriate to do so. If a dividend is declared, the Directors will distribute it in compliance with applicable law.

CHANGES TO INVESTMENT STRATEGIES AND RESTRICTIONS

The investment objective, investment strategies, investment restrictions and limits on leverage summarised above represent the current intentions of the Directors. Subject to any applicable law or regulation, the Directors may change the investment objective, investment strategies, investment restrictions and limits on leverage by giving Shareholders not less than 3 months' prior written notice of the proposed changes.

FEES AND EXPENSES

FEES PAYABLE TO THE INVESTMENT MANAGER

The Company will pay the Investment Manager a Management Fee, out of the assets of the Portfolio, of (i) 0.125 per cent per month (1.5 per cent per annum) of the Net Asset Value of the Class PB Shares and (ii) 0.04167 per month (0.5 per cent per annum) of the Net Asset Value of the Class WS Shares, in each case (before deduction of that month's Management Fee) as at the last Valuation Day in each month.

The Management Fee will be payable in US Dollars monthly in arrears. If the Investment Manager is not acting as Investment Manager for an entire month, the Management Fee payable for such month will be prorated to reflect the portion of such month in which the Investment Manager is acting as such.

The Management Fee will be paid to the Investment Manager as soon as reasonably practicable after the end of each month.

The Company and/or the Investment Manager may appoint one or more distributors or placement agents to solicit subscriptions for Participating Shares. Such distributors or placement agents may share in the Management Fees payable to the Investment Manager in respect of the Participating Shares whose subscription they have solicited.

ADMINISTRATION FEES

The Administrator will receive a fee out of the assets of the Portfolio for providing administration services generally based on the Net Asset Value of the Portfolio, calculated as at each Valuation Day and payable monthly in arrears, subject to a minimum.

The Administrator will also be entitled to various transaction and processing fees and to be reimbursed for all out of pocket expenses properly incurred by it in the performance of its duties.

DISTRIBUTOR

The Company and/or the Investment Manager may appoint one or more distributors or placement agents to solicit subscriptions for Participating Shares. Such distributors or placement agents may charge a subscriber for Participating Shares, whose subscription they have solicited, a fee calculated as a percentage of the subscription amount or may share in the fees payable to the Investment Manager. It is anticipated that the distributor appointed in relation to the Portfolio will receive some or all of the Management Fee which would otherwise be payable to the Investment Manager in respect of the Participating Shares which were subscribed for by its clients.

If any such distribution or placement fee is to be paid by the Investment Manager out of the Management Fees that would otherwise be payable to the Investment Manager out of the assets of the Portfolio, the Investment Manager may direct that the Company, for the account of the Portfolio, pay such distribution or placement fee directly to the applicable distributor or placement agent on its behalf (the ***Rebate Amount***) and the Management Fee otherwise payable to the Investment Manager shall be deemed to have been reduced accordingly by an amount equal to the Rebate Amount.

OTHER FEES AND EXPENSES

The costs and expenses of, and incidental to, the establishment of the Portfolio include a pro rata share of the establishment costs of the Company, costs and expenses relating to the negotiation and preparation of the contracts entered into by the Company on behalf of the Portfolio and the fees and expenses of professional advisers. These costs and expenses will be amortised on a straight line basis over a period of 36 months from the initial issue of Participating Shares attributable to the Portfolio. The Directors may shorten the period over which such expenses are amortised.

The Portfolio will bear its pro rata share of establishment costs and all expenses related to its investment programme and operations, as described in the Memorandum.

The Portfolio will also indirectly bear its pro rata share of each Underlying Fund's operating expenses and costs which are expected to be of the nature described above.

SUBSCRIPTIONS

SUBSCRIPTION PRICE AND ISSUANCE

Participating Shares are being offered for subscription during the Initial Offer Period at a fixed price of US$1,000 per Participating Share.

Following the close of the Initial Offer Period, Participating Shares will be available for subscription on each Subscription Day at the relevant Subscription Price.

The Subscription Price will be equal to the Net Asset Value per Share of the relevant Class as at the Valuation Day, being also the applicable Subscription Day on which the application is effective.

MINIMUM INVESTMENT

The minimum initial investment per subscriber is US$10,000 in the case of Class WS Shares and Class PB Shares. The Directors may waive or reduce the minimum initial investment either generally or in any particular case.

The minimum amount of any subsequent subscription is US$1,000 in the case of Class WS Shares and Class PB Shares or such lesser amount as the Directors may determine, either generally or in any particular case.

SUBSCRIPTION PROCEDURE

Subscribers for Participating Shares during the Initial Offer Period must send their completed Subscription Agreement, together with any supporting documents, so as to be received by the Administrator by no later than 5:00pm (Cayman Islands time) on the Business Day which is six (6) Business Days before the last Business Day of the Initial Offer Period. Subscription monies must be sent by electronic transfer so that cleared funds are received in the bank account of the relevant Portfolio by no later than 5:00pm (Cayman Islands time) on the last Business Day of the Initial Offer Period.

After the Initial Offer Period subscribers for Participating Shares and Shareholders wishing to apply for additional Participating Shares must send their completed Subscription Agreement, together with any supporting documents, so as to be received by the Administrator by no later than 5:00 pm (Cayman Islands time) on the Business Day which is six (6) Business Days before the applicable Subscription Day. Subscription monies must be sent by electronic transfer so that cleared funds are received in the bank account of the relevant Portfolio by no later than 5:00 pm (Cayman Islands time) on the Friday before the applicable Subscription Day.

The Directors may waive the requirements specified above, either generally or in any particular case.

REDEMPTIONS

PROCEDURE FOR THE REDEMPTION OF PARTICIPATING SHARES

Subject to any restrictions set out in this section and under the section of the Memorandum headed "Net Asset Value - Suspensions", Participating Shares may be redeemed at the option of the Shareholder on any Redemption Day.

A Shareholder wishing to redeem its Participating Shares must send a completed Redemption Notice to the Administrator at the address specified in the Redemption Notice. The completed Redemption Notice must be received by no later than 11:00 a.m. (Cayman Islands time) on a Business Day falling at least 31 calendar days (or such shorter period as the Directors may permit, either generally or in any particular case) before the relevant Redemption Day. Unless the Directors agree otherwise, any Redemption Notice received after this time will be held over and dealt with on the next relevant Redemption Day.

If a Redemption Notice is received which would, if satisfied, result in the Shareholder retaining less than the Minimum Holding, the Directors may treat such Redemption Notice as a request for a partial redemption only up to the Minimum Holding or may redeem the Shareholder's entire holding of Participating Shares. A request for a redemption of Participating Shares with an aggregate Net Asset Value of less than US$1,000 (or such lesser amount as the Directors may determine, either generally or in any particular case) will be refused. Participating Shares of the relevant Class will be redeemed on a "first issued, first redeemed" basis.

REDEMPTION PRICE AND REDEMPTION PROCEEDS

The Redemption Price of a Participating Share will be equal to the Net Asset Value per Share of the relevant Class as at the relevant Redemption Day.

DEFERRAL OF REDEMPTIONS

The Underlying Fund imposes certain restrictions on the Company's ability to redeem its interests in the Underlying Fund which may be triggered in the following circumstances (the ***Underlying Redemption Gate Trigger Events***):

- If the redemption request from the Company, for the account of the Portfolio, along with redemption requests from other shareholders in the Underlying Fund, represents 10% or more of the net assets of the Underlying Fund; and

- If the redemption request from the Company, for the account of the Portfolio, represents 100% of its net assets invested in the Underlying Fund.

In the event that either or both of the Underlying Redemption Gate Trigger Events occurs, redemptions will be limited by the Underlying Fund as follows:

- redemption requests will be limited to the percentage of the redemption requests determined by the Underlying Fund and communicated to the Investment Manager, who will then inform the Administrator, and such redemption requests which will then be processed in accordance with the applicable redemption provisions of the Underlying Fund; and

- there will be a proportional allocation of redemption requests between the redeeming shareholders of the Underlying Fund, representing the remaining value of the above-defined percentage (***Remaining Redemptions***), which will be processed on subsequent redemption days of the Underlying Fund.

In such circumstances, a corresponding limit on redemptions will apply at the Portfolio level in respect of Redemption Notices received in respect of the applicable Redemption Day with such adjustments as the Directors may determine. Redemption Notices which are not satisfied in full will be carried forward to the next Redemption Day and will have priority over Redemption Notices received in respect of such Redemption Day. Participating Shares will be redeemed at the Redemption Price prevailing on the Redemption Day on which they are redeemed.

SETTLEMENT

Payment of redemption proceeds will normally be made after 6 Business Days following the later of (i) the relevant Redemption Day, (ii) the date on which the Administrator has received such other information and documentation as may be required (including to satisfy anti-money laundering requirements) and (iii) the receipt of any corresponding withdrawal or repurchase amounts by the Company, for the account of the Portfolio, from the Underlying Fund.

The Company may, but shall not be required to, prepay up to 95% of the estimated redemption proceeds prior to the finalisation of the Redemption Price by reference to the last available Net Asset Value per Share or a recent estimate, as determined by the Directors in their sole discretion. Any balance of the redemption proceeds due to the redeeming investor following the finalisation of the Redemption Price will be paid within 7 Business Days of such finalisation.

The Company, for the account of the Portfolio, may not be able to, and therefore will not be required to, honour redemption requests to such extent that the Company, for the account of the Portfolio, is unable to redeem from and/or unable to receive funds from its investment in the Underlying Fund.

In addition to the provisions in the Memorandum regarding settlement, the Underlying Fund may be subject to significant transfer and other liquidity restrictions. For the avoidance of doubt, the Investment Manager has sole discretion to determine which, if any, investments the Company, for the account of the Portfolio, will redeem in order to satisfy a Shareholder’s redemption request. In circumstances where the Investment Manager has determined to satisfy all or a portion of the Shareholder’s redemption requests by submitting a redemption request for interests in the Underlying Fund and such redemptions are subject to gates, redemption/withdrawal fees or other sale or other liquidity restrictions that delay redemptions, the Investment Manager may delay applicable portions of such Shareholder’s redemption proceeds until the dates to which such Underlying Fund delays such withdrawals or redemptions by the Company.

None of the Company, the Directors, the Investment Manager or the Administrator will be liable for any loss arising as a result of any delay in payment of any redemption proceeds due to Underlying Fund delays. All amounts subject to a redemption request to which such delay applies may remain at risk in the Portfolio pending settlement.

In addition, and without prejudice, to the applicable provision of this Memorandum relating to suspensions, the Directors may declare a temporary suspension of (i) the determination of Net Asset Value per Share of one or more Classes, (ii) the redemption of Participating Shares of one or more Classes, (iii) the payment of redemption proceeds and/or (iv) the subscription for and issuance of Participating Shares, in such circumstances as they may deem appropriate, including without limitation, any period during which the Underlying Fund has suspended or deferred withdrawals or repurchase or the calculation of its net asset value or where the Company, for the account of the Portfolio, is unable to withdraw or have its interests in the Underlying Fund repurchased by virtue of the Underlying Fund limiting such requests pursuant to a gate or equivalent provision.

AUDIT HOLDBACK

In the event that 90 per cent or more of the Participating Shares of any Class are redeemed, up to 5 per cent of the redemption proceeds may be held back pending completion of the next occurring annual audit. Promptly after completion of the audit, the balance, if any, of the amount to which such Shareholders are entitled after taking account of any adjustment made to the relevant Redemption Price as a result of the audit will be paid to such Shareholders. No interest will be paid in respect of redemption proceeds held back.

REDEMPTION FEE

No redemption fee will be charged on the redemption of Participating Shares.

COMPULSORY REDEMPTION

If the Directors determine, in consultation with the Investment Manager, that, following a redemption, the remaining Net Asset Value of the Portfolio is insufficient to justify the continued existence of the Portfolio and/or the investment in the Underlying Fund, the Company may, but shall not be required to, elect to compulsorily redeem the Participating Shares held by the remaining Shareholders on any day designated by the Directors by giving prior written notice to such Shareholders.

RISK FACTORS

An investment in the Portfolio entails substantial risk. The nature of the investments of the Portfolio involves certain risks including, but not limited to, those listed below and the Investment Manager may utilise investment techniques which carry additional risks. Potential investors should carefully consider the following risk factors and the risk factors set out in the Memorandum, this Supplement and the Underlying Fund Documents, amongst others, in determining whether an investment in the Portfolio is suitable for them. References below to assets and risks of the Company or Portfolio and its investment strategy shall be deemed to include a reference to assets and risks of the Underlying Fund and its investment strategy which may, in turn, be borne by the Company, for the account of the Portfolio, indirectly.

RISKS ASSOCIATED WITH INVESTING IN UNDERLYING FUNDS

Compensation of Underlying Managers. Many Underlying Managers will be compensated based on the appreciation, including unrealised appreciation, in the value of the assets of the relevant Underlying Fund. Accordingly it is possible that the Portfolio will pay a performance fee to an Underlying Manager for a period even though the Net Asset Value of the Portfolio overall declined during such period.

Independent investment by managers of Underlying Funds. Underlying Managers will invest wholly independently of one another with investment decisions being made at the level of each Underlying Fund. It is possible that some Underlying Managers will take positions in the same security or in the same sector or country at the same time. The possibility also exists that one Underlying Fund may purchase an instrument at about the same time as another Underlying Fund decides to sell it or that Underlying Funds may at times hold economically offsetting positions. To the extent that Underlying Managers do hold such positions the Portfolio, considered as a whole, cannot achieve any gain or loss in respect of such positions, despite incurring expenses. There can be no guarantee that the selection of the Underlying Funds will result in a diversification of investments or investment styles.

Investing in managed accounts. From time to time assets of the Portfolio may be invested through individual accounts managed by unaffiliated portfolio managers (collectively, ***Managed Accounts***). Managed Accounts are typically not subject to the limitations on liability generally offered by collective investment vehicles. Accordingly, if a Managed Account employs leverage, the Portfolio would be subject to the risk of losses beyond its allocation of assets to such Managed Account.

Lack of regulatory supervision. Assets of the Portfolio may be invested in Underlying Funds established in jurisdictions where there is little or no regulatory supervision of such Underlying Funds. Although the Investment Manager will seek to ensure that Underlying Funds provide adequate safeguards for the protection investors, any such safeguards may be less efficient than if supervision by a regulator was exercised. Further, the efficiency of any supervision or of other safeguards may be affected by a lack of precision of investment and risk diversification guidelines applicable to, and the flexibility of the investment policies pursued by, such Underlying Funds.

Layering of fees. Investing through Underlying Funds may significantly increase the fees and expenses payable by the Portfolio when compared to investing directly in securities. The Portfolio will bear a pro rata share of the fees and expenses paid by the Underlying Funds in addition to the fees and expenses incurred by the Portfolio directly. Assets of the Portfolio may be invested in Underlying Funds that invest in other investment vehicles resulting in an additional level of fees and expenses. As a result, the operating expenses of the Portfolio may constitute a higher percentage of the Net Asset Value than could be found in other investment vehicles.

Liquidity of Underlying Funds. Although the Investment Manager will seek to select Underlying Funds which offer the opportunity to have their shares or units redeemed within a reasonable timeframe, there can be no assurance that the liquidity of the investments of such Underlying Funds will always be sufficient to meet redemption requests as and when made. As a consequence the redemption of shares or units in the Underlying Fund may be deferred or suspended in certain circumstances which may in turn lead to a lack of liquidity in the Portfolio. A lack of liquidity in the Underlying Fund may also result in difficulties in determining the net asset value of the Underlying Fund. Any such difficulties may result in corresponding difficulties or delays in determining the Net Asset Value of the Portfolio.

Nature of the Underlying Fund's investments. The Investment Manager will not have an active role in the day-to-day management of the Underlying Funds and will not control any investment decisions made by Underlying Managers. Underlying Managers may invest in and actively trade instruments with significant risk characteristics, may employ substantial amounts of leverage and may have significant potential exposure to loss resulting from counterparty defaults. There can be no assurance that an Underlying Fund's investment programme will be successful or that the investment objective of an Underlying Fund will be achieved. The Investment Manager will carry out extensive due diligence procedures when selecting and monitoring the individual Underlying Funds. However, there can be no assurance that past performance information in relation to an Underlying Fund will be indicative of how such Underlying Fund will perform (either in terms of profitability or correlation) in the future.

Style drift. The Investment Manager will seek to monitor the investment and trading style of the Underlying Funds and will try to verify that the Underlying Funds are being managed substantially in accordance with their stated investment policies. However, the Investment Manager will not receive perfect information regarding the actual investments made by the Underlying Fund and must ultimately rely on the Underlying Manager to operate in accordance with the investment strategy or guidelines set out in the governing documents of the Underlying Fund. If the Underlying Manager does not operate in accordance with the investment strategy or guidelines specified for the Underlying Fund, or if the information furnished by an Underlying Fund is not accurate, the Investment Manager's ability to analyse the Underlying Fund will be compromised. This could impair the Investment Manager's ability to implement the investment strategies and/or manage volatility and risk, as a result of which the Portfolio might sustain losses.

Subscription moneys at risk prior to Subscription Day. As the assets of the Portfolio will be invested in Underlying Funds the Company will be required to remit moneys in respect of such investments in advance of the relevant day on which the investment is made. In order to permit the Company to do so, subscription moneys may be used to make investments prior to (i) the Subscription Day on which Participating Shares are issued to the subscriber; and (ii) the applicable Valuation Day which will be used to determine the number of Participating Shares to be issued in respect of any subscription. Accordingly, money remitted to the Portfolio could, and likely will, be at risk in the Portfolio prior to the relevant Subscription Day.

Transparency. Many of the Underlying Funds will not provide comprehensive information regarding their underlying investments and transactions and the degree of transparency will vary considerably. As a minimum the Company will receive periodic reports from each Underlying Fund at the same time as any other investor in the relevant Underlying Fund. The Company will request detailed information on a continuing basis from each Underlying Manager regarding the applicable Underlying Fund's historical performance and investment strategies. However, the Company may not always be provided with detailed information regarding all the investments made by the Underlying Fund because certain of this information may be considered proprietary information by the Underlying Manager. This lack of access to information may make it more difficult for the Company to select, allocate among and evaluate the Underlying Manager and Underlying Funds.

Valuation. The calculation of the Net Asset Value of the Portfolio will be based largely on the valuations received from the Underlying Funds. There can be no assurance these valuations will be accurate. In some cases they may be based in part on the Underlying Fund's valuation of instruments that are not actively traded, and thus partly subjective. If a net asset value calculation provided by an Underlying Fund is incorrect, the Net Asset Value per Share, and consequently the Subscription Price and the Redemption Price, may be overstated or understated. An Underlying Fund may on occasion revise a net asset value calculation thus requiring an adjustment to the calculation of the Net Asset Value of the Portfolio for that period.

RISKS ASSOCIATED WITH THE INVESTMENT STRATEGIES

Asset-backed debt securities. Asset-backed securities are securities primarily serviced or secured by the cash flows of a pool of fixed or revolving receivables. Underlying assets may include residential and commercial mortgages, leases and credit card receivables as well as consumer and corporate debt. Asset-backed securities can be structured in different ways, including "true sale" structures, where the underlying assets are transferred to a special purpose vehicle, which in turn issues the asset-backed securities, and "synthetic" structures in which the credit risks associated with the underlying assets are transferred to the special purpose vehicle through the use of derivatives. Asset-backed securities are usually issued in different tranches. Any losses realised in relation to the underlying asset pool are allocated first to the securities of the most junior tranche, until the principal of such securities is reduced to zero, then to the principal of the next lowest tranche, and so on. Accordingly, in the event that the underlying asset pool does not perform the value of the relevant asset-backed securities and any amounts paid on such securities will be adversely affected. In addition the value of such securities may be adversely affected by macro-economic factors such as adverse changes affecting the sector to which the underlying assets belong, economic downturns in the respective countries or globally, as well as circumstances related to the nature of the individual assets. The implications of such negative effects thus depend heavily on the geographic, sector-specific and type-related concentration of the underlying assets. The degree to which any particular asset-backed security is affected by such events will depend on the tranche to which such security relates; junior tranches, even having received investment grade rating, can therefore be subject to substantial risks.

Availability of investment strategies. The success of the investment strategies of the Portfolio will depend on the ability of the Company to identify overvalued and undervalued investment opportunities and to exploit price discrepancies in the financial markets, as well as to assess the import of news and events that may affect the financial markets. Identification and exploitation of the investment opportunities to be pursued involves a high degree of uncertainty. No assurance can be given that the Company will be able to locate suitable investment opportunities in which to deploy all of the assets of the Portfolio or to exploit discrepancies in the securities and derivatives markets. Market factors including a reduction in market liquidity or the pricing inefficiency of the markets in which the assets of the Portfolio are invested, may reduce the scope for the investment opportunities for the Portfolio.

Collateralised debt obligations. Assets of the Portfolio may include long and short positions in collateralised debt obligations (***CDOs***). CDOs are a type of asset-backed security with cash flows linked to the performance of an underlying pool of debt instruments. The types of debt instrument may include corporate debt (both investment grade and high yield), bank loans, government debt, mortgages and derivatives on such debt instruments. In addition to the risks associated with debt securities and derivatives, due to the leveraged nature of CDOs such investments may be subject to more acute credit, liquidity and interest rate risks than the underlying component debt instruments and/or derivative instruments.

Concentration of investments. The Investment Manager is not subject to any requirement to diversify the assets of the Portfolio and consequently such assets may at any time be heavily concentrated in a limited number of positions. In attempting to maximise returns, the holdings of the Portfolio may be concentrated in those countries, sectors, markets, asset classes, instruments or issuers which, in the judgment of the Company, provide the best profit opportunity in view of the investment objective. Such concentration increases the risk of an investment in the Portfolio by increasing the relative impact of changes in the market, economic or political environment affecting particular countries, sectors, markets and issuers. The Portfolio could be subject to significant losses if it holds a large position in a particular investment that declines in value or is otherwise adversely affected (including as a result of default by the issuer).

Convertible securities. Assets of the Portfolio may be invested in convertible securities. Convertible securities are preferred stocks or debt obligations that are convertible into common stock and consequently have both equity and fixed income risk characteristics. Like all fixed income securities, the value of convertible securities will tend to decline as interest rates increase. If the market price of the underlying stock approaches or exceeds the conversion price of the convertible security, the convertible security will tend to reflect the market price of the underlying stock. If the value of the underlying stock then falls below the conversion price the convertible security may lose much or all of its value. As the market price of the underlying stock declines, a convertible security will tend to trade increasingly based on its fixed income characteristics and so may not decline in price as much as the underlying stock. Generally, convertible securities offer lower interest or dividend yields than non-convertible securities of similar quality and have less potential for gains or capital appreciation in a rising stock market than other equity securities. They tend to be more volatile than other fixed income securities and the markets for convertible securities may be less liquid than markets for common stocks or bonds. Additionally, an issuer may have the right to buy back convertible securities at a time and price that is unfavourable to the Portfolio.

Corporate debt obligations. Investment in debt obligations issued by companies and other entities, is subject to the risk that a particular issuer may not fulfil its payment or other obligations in respect of such debt obligations. Additionally, an issuer may experience an adverse change in its financial condition due to, for example, economic conditions, increased competition or corporate events. Any such adverse change may in turn result in a decrease in the credit rating assigned to such issuer and its debt obligations, possibly below investment grade. Such adverse change in financial condition or decrease in credit rating(s) may result in increased volatility in the price of an issuer's debt obligations and negatively affect liquidity, making any such debt obligation more difficult to sell.

Counterparty risk. The Portfolio is subject to the risk of the inability of any counterparty (including any prime brokers and custodians) to perform with respect to transactions, whether due to insolvency, bankruptcy or other circumstances. The Portfolio is subject to the risk that counterparties may not have access to finance and/or assets at the relevant time and may fail to comply with their obligations under the relevant sale and repurchase agreements. In the event of any counterparty entering an insolvency procedure, the Company could experience delays in liquidating positions and significant losses could be incurred, including the loss of that portion of the assets of the Portfolio financed through such a transaction, a decline in value of the relevant investment during the period in which the Company seeks to enforce the contract, an inability to realise any gains on its investment during such period and fees and expenses incurred in enforcing the contract. During an insolvency procedure (which may last many years) the use of assets held by or on behalf of the relevant counterparty may be restricted and accordingly (a) the ability of the Company to fulfil the investment objective may be severely constrained, (b) the Directors may be required to suspend the calculation of the Net Asset Value and as a result subscriptions for and redemptions of Participating Shares. During such a procedure, the Portfolio is likely to be an unsecured creditor in relation to certain assets (including those in respect of which it had previously been a secured creditor) and accordingly it may not be possible to recover such assets from the insolvent estate of the relevant counterparty in full, or at all.

Credit default swaps. Assets of the Portfolio may include long and short positions in credit default swaps. A credit default swap is a type of credit derivative contract which allows one party (the ***protection buyer***) to transfer the credit risk of an entity (the ***reference entity***) to one or more other parties (the ***protection seller***). The protection buyer pays a periodic fee to the protection seller in return for protection against the occurrence of certain specified credit events experienced by the reference entity. Credit default swaps carry specific risks including high levels of gearing, the possibility that premiums are paid for credit default swaps which expire worthless, wide bid/offer spreads and documentation risks. In addition, there can be no assurance that the counterparty to a credit default swap will be able to fulfil its obligations under the swap if a credit event occurs in respect of the reference entity. Further, the counterparty to a credit default swap may seek to avoid payment following an alleged credit event by claiming that there is a lack of clarity in, or an alternative meaning of, language used in the contract, most notably the language specifying what would amount to a credit event.

Credit risk. Investment in debt securities is subject to the credit risk of the issuers which may be unable or unwilling to make timely payments of principal and/or interest. In general, debt instruments that have a lower credit rating, or that are unrated, are subject to a higher degree of credit risk. The credit rating of a security represent a rating agency's opinions regarding the issuer's credit quality and is not a guarantee of the future credit performance of such issuer. Rating agencies attempt to evaluate an issuer's credit worthiness by determining its ability to pay back a loan. They do not evaluate the risks of fluctuation in the market value of the issued security but fluctuations in the market value of a security may be affected by the ratings assigned to the issuer. In particular, if the credit rating of an issuer is downgraded the market value of the securities of such issuer may be adversely affect. In the event of a default or a downgrading in the credit rating of the issuer of any fixed income instrument held by the Company, the Net Asset Value may be adversely affected. Debt securities are offered on an unsecured basis without collateral, and will rank equally with other unsecured debts of the relevant issuer. As a result, if the issuer becomes bankrupt, proceeds from the liquidation of the issuer's assets will be paid to holders of debt securities only after all secured claims have been satisfied in full. The Portfolio is therefore exposed to the credit risk of the issuers of the debt securities as an unsecured creditor.

Currency exposure. Assets of the Portfolio may be invested in securities and other investments which are denominated in currencies other than the currency or currencies in which Participating Shares are denominated. Accordingly, the value of such assets may be affected favourably or unfavourably by fluctuations in currency rates. The Company does not intend to hedge the foreign currency exposure and so the Portfolio will be subject to foreign exchange risks. Prospective investors whose assets and liabilities are predominantly in currencies other than the currency in which their Participating Shares will be denominated should take into account the potential risk of loss arising from fluctuations in value between the currency in which their Participating Shares will be denominated, the currency of investment and the currencies of their assets and liabilities.

Derivative instruments. The Company may make extensive use of both exchange-traded and over-the-counter derivative instruments such as futures, forwards, swaps, options and contracts for differences. Derivative instruments typically have a high degree of leverage embedded in them and consequently a relatively small movement in the price of an instrument may result in a profit or a loss which is high in proportion to the margin deposited. In the event that a call for further margin exceeds the amount of cash available in the Portfolio, the Company will be required to close out the relevant contract. The derivatives market is often characterised by limited liquidity and daily limits on price fluctuations and speculative position limits on exchanges may prevent prompt liquidation of positions resulting in potentially greater losses. When used for hedging purposes there may be an imperfect correlation between derivatives and the investments or market sectors being hedged. The pricing relationships between derivatives and the underlying instruments on which they are based may not conform to anticipated or historical correlation patterns, resulting in unanticipated losses.

Transactions in over-the-counter derivative instruments may involve additional risk as there is no exchange market on which to close out a position. It may be impossible to liquidate an existing position, to assess the value of a position or to assess the exposure to risk. Furthermore, “bid-ask” spreads may be unusually wide in the substantially unregulated over-the-counter markets. Certain counterparties may require collateral in connection with over-the-counter transactions. Although the Company will principally engage in such transactions with money centre financial institutions, the Portfolio will still be subject to counterparty risk including the risk of loss of such collateral. The risk of counterparty non-performance can be significantly greater in the case of these over-the-counter instruments as opposed to exchange-traded derivative instruments.

Financing arrangements. Borrowings by the Company may include the use of securities margin, futures margin, margined option premiums, repurchase agreements, bank or dealer credit lines or the notional principal amounts of swap transactions. There can be no assurance that the Company will be able to maintain adequate financing arrangements under all market circumstances. Banks and dealers that provide financing can typically apply essentially discretionary margin, “haircut”, financing, security and collateral valuation policies. Changes by banks and dealers in one or more of these policies, or the imposition of other credit limitations or restrictions, whether due to market circumstances, government, regulatory or judicial action, may result in large margin calls, loss of financing, forced liquidations of positions, termination of swap and repurchase agreements and cross-defaults to agreements with other banks and dealers. Any such adverse effects may be exacerbated in the event that such limitations or restrictions are imposed suddenly and/or by multiple market participants simultaneously. The imposition of any such limitations or restrictions could compel the Company to liquidate positions at disadvantageous prices, leading to losses.

Forward foreign exchange contracts. A forward foreign exchange contract is a contractually binding obligation to purchase or sell a particular currency at a specified date in the future. Forward foreign exchange contracts are not uniform as to the quantity or time at which a currency is to be delivered and are not traded on exchanges. Rather, they are individually negotiated transactions. Forward foreign exchange contracts are effected through a trading system known as the interbank market. It is not a market with a specific location but rather a network of participants electronically linked. Documentation of transactions generally consists of an exchange of telex or fax messages. There is no limitation as to daily price movements on this market and in exceptional circumstances there have been periods during which certain banks have refused to quote prices for forward foreign exchange contracts or have quoted prices with an unusually widespread between the price at which the bank is prepared to buy and that at which it is prepared to sell. Transactions in forward foreign exchange contracts are not regulated by any regulatory authority nor are they guaranteed by an exchange or clearing house. The Portfolio will be subject to the risk of the inability or refusal of its counterparties to perform with respect to such contracts. Any such default would eliminate any profit potential and compel the Company to cover its commitments for resale or repurchase, if any, at the then current market price. These events could result in significant losses.

General economic and market conditions. The success of the Portfolio will be affected by general economic and market conditions, such as interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws, trade barriers, currency exchange controls and national and international political circumstances. These factors may affect the level and volatility of securities prices and the liquidity of the investments of the Portfolio. Volatility or illiquidity could impair the profitability of the Portfolio or result in losses.

Governmental intervention. The global financial markets have recently undergone pervasive and fundamental disruptions and dramatic instability which has led to extensive and unprecedented governmental intervention. Regulators in many jurisdictions implemented a number of wide-ranging emergency regulatory measures, including restrictions on the short selling of financial and other stocks in many jurisdictions. Such intervention was in certain cases implemented on an emergency basis without much or any notice with the consequence that some market participants' ability to continue to implement certain strategies or manage the risk of their outstanding positions was suddenly and/or substantially eliminated. Given the complexities of the global financial markets and the limited time frame within which governments were able to take action, these interventions were sometimes unclear in scope and application, resulting in confusion and uncertainty which in itself was materially detrimental to the efficient functioning of such markets as well as previously successful investment strategies. It is impossible to predict with certainty what additional or future governmental restrictions may be imposed on the markets and/or the effect of such restrictions on the Company's ability to implement the investment objective of the Portfolio. However, the Company believes that there is a likelihood of increased regulation of the global financial markets, and that such increased regulation could be materially detrimental to the performance of the Portfolio.

Global market exposure. Assets of the Portfolio will be invested on a global basis in both developed and emerging markets. Consequently the Portfolio is subject to (i) currency exchange-rate risk, (ii) the possible imposition of withholding, income or excise taxes, (iii) the absence of uniform accounting, auditing and financial reporting standards, practices and disclosure requirements and little or potentially biased government supervision and regulation, and (iv) economic and political risks, including expropriation, currency exchange control and potential restrictions on investment and repatriation of capital.

Hedging transactions. Although the Company may utilize a variety of financial instruments, such as derivatives, options, interest rate swaps, swaptions, caps and floors, futures and forward contracts generally for risk management purposes, there can be no assurances that a particular hedge is appropriate, or that a certain risk is measured properly. Hedging against a decline in the value of a position does not eliminate fluctuations in the values of that position or prevent losses if the value of such position declines, but establishes another position designed to gain from those same developments, thus offsetting the decline in the position's value. Such hedging transactions therefore also limit the opportunity for gain if the value of the hedged positions should increase. Accordingly, while the Company may enter into hedging transactions to seek to reduce risk, such transactions may result in a poorer overall performance and increased (rather than reduced) risk for the Portfolio. Moreover, the Portfolio will always be exposed to certain risks, such as credit risk, that cannot be hedged.

Interest rate risk. Investment in debt securities is subject to interest rate risk. Generally, the value of debt securities is expected to be inversely correlated with changes in interest rates. As interest rates rise, the market value of debt securities tends to decrease. Long-term debt securities in general are subject to higher sensitivity to interest rate changes than short-term debt securities. The Company may attempt to minimize exposure to interest rate changes through the use of interest rate swaps, interest rate futures and/or interest rate options. However, there can be no expectation or guarantee that the Company will be successful in fully mitigating the impact of interest rate changes.

Lower-rated and unrated debt securities. Assets of the Portfolio may include high yield, high risk debt securities that are rated below investment grade or which are unrated by any relevant agency. Debt securities rated below investment grade are commonly referred to as "junk bonds" and are considered to be subject to greater risk of loss of principal and interest than higher-rated debt securities. Such instruments are generally considered to be speculative with respect to the issuer's capacity to pay interest and repay principal. Lower-rated securities generally are considered to be subject to greater market risk than higher-rated securities in times of deteriorating economic conditions. In addition, lower-rated securities may be more susceptible to real or perceived adverse economic and competitive industry conditions than investment grade securities, although the market values of lower-rated securities tend to react less to fluctuations in interest rate levels than do those of higher-rated securities. The market for lower-rated securities may be thinner and less active than that for higher-quality securities, which can adversely affect the prices at which these securities can be sold. To the extent that there is no regular secondary market trading for certain lower-rated securities, difficulties may be experienced in valuing such securities and, in turn, determining the Net Asset Value. In addition, adverse publicity and investor perceptions about lower-rated securities, whether or not based on fundamental analysis, will tend to decrease the market value and liquidity of such lower-rated securities. Transaction costs with respect to lower-rated securities may be higher, and in some cases less information may be available, than is the case with investment grade securities.

Market disruptions. The Portfolio may incur major losses in the event of disrupted markets and other extraordinary events which may affect markets in a way that is not consistent with historical pricing relationships. The risk of loss from a disconnect with historical prices is compounded by the fact that in disrupted markets many positions become illiquid, making it difficult or impossible to close out positions against which the markets are moving. The financing available to the Portfolio from its banks, dealers and other counterparties will typically be reduced in disrupted markets. Such a reduction may result in substantial losses to the Portfolio. A sudden restriction of credit by the dealer community has resulted in forced liquidations and major losses for a number of investment funds and other vehicles. Because market disruptions and losses in one sector can cause ripple effects in other sectors, many investment funds and other vehicles have suffered heavy losses even though they were not necessarily heavily invested in credit-related investments. In addition, market disruptions caused by unexpected political, military and terrorist events may from time to time cause dramatic losses for the Portfolio and such events can result in otherwise historically low-risk strategies performing with unprecedented volatility and risk. A financial exchange may from time to time suspend or limit trading. Such a suspension could render it difficult or impossible for the Company to liquidate affected positions and thereby expose the Portfolio to losses. There is also no assurance that off-exchange markets will remain liquid enough for the Company to close out positions.

Market liquidity. The Portfolio may be adversely affected by a decrease in market liquidity for the instruments in which it invests which may impair its ability to adjust its positions. The size of the Portfolio’s positions may magnify the effect of a decrease in market liquidity for such instruments. Changes in overall market leverage, deleveraging as a consequence of a decision by any lender not to offer credit or by other counterparties to reduce the level of leverage available, or the liquidation by other market participants of the same or similar positions may also adversely affect the Portfolio.

Nature of investments. The Investment Manager will have broad discretion in making investments for the Portfolio. Investments will generally consist of various instruments and other assets that may be affected by business, financial market or legal uncertainties. There can be no assurance that the Investment Manager will correctly evaluate the nature and magnitude of the various factors that could affect the value of and return on investments. Prices of investments may be volatile, and a variety of factors that are inherently difficult to predict, such as domestic or international economic and political developments, may significantly affect the results of the activities of the Portfolio and the value of its investments. Among other things, performance will depend upon the Investment Manager’s ability to assess the importance of news and events, forecast macro trends, make accurate forecasts about economic and fundamental factors and their potential impact on financial markets. Unexpected movements in interest rates, foreign exchange, credit defaults and spreads, commodity prices or equity values can adversely affect the performance. No guarantee or representation is made that the investment objective of the Portfolio will be achieved.

Overall investment risk. All investments of the Portfolio risk the loss of capital. The nature of the securities to be purchased and traded for the Portfolio and the investment techniques and strategies to be employed in an effort to increase profits may increase this risk. Many unforeseeable events, including actions by various government agencies, and domestic and international political events, may cause sharp market fluctuations. Changes in the macroeconomic environment, including, for example, interest rates, inflation rates, industry conditions, competition, technological developments, political events and trends, changes to tax laws, currency exchange rates, regulatory policy, employment and consumer demand and innumerable other factors, can substantially and adversely affect the performance of an investment of the Portfolio. None of these conditions will be within the control of the Company and there can be no assurance that the Portfolio will not incur losses.

Prepayment of debt securities. Many fixed-income securities, especially those issued at high interest rates, provide that the issuer may repay them early. Issuers often exercise this right when interest rates decline. Accordingly, holders of securities that may be called or prepaid may not benefit fully from the increase in value that other fixed-income securities experience when rates decline. In such a scenario the Company may reinvest the proceeds of the payoff at then-current yields, which could be lower than those paid by the security that was paid off. Prepayments may cause losses on securities purchased at a premium, and unscheduled prepayments, which will be made at par, will cause the Portfolio to experience a loss equal to its pro rata share of any unamortised premium.

Risk management. The Investment Manager intends to apply a risk management approach that it believes is appropriate for the Portfolio. The application of any risk management approach involves numerous judgments and qualitative assessments. No risk management system is fail-safe, and no assurance can be given that the risk controls adopted will achieve their objectives. From time to time, without notice to Shareholders, the Investment Manager may modify or change the risk management system and procedures adopted for the Portfolio.

Short selling. Short selling involves the Portfolio selling securities that it borrows from a securities lender and is obliged to return at a later date. The Portfolio will ordinarily fulfil its obligation to return the borrowed securities by acquiring them on the open market. The Portfolio must also pay the securities lender any dividends or interest payable on the securities during the borrowing period and may have to pay a premium to borrow the securities and/or deposit cash of marketable securities with the lender as collateral. Short selling allows the Portfolio to profit from a decline in the price of the relevant securities. However if, contrary to the Investment Manager's expectations, the price of the relevant securities increases, the Portfolio will suffer a loss equal to the difference between the cost of acquiring the securities and the net proceeds from the sale. A short sale theoretically creates the risk of an unlimited loss, in that there is no limit on how much the price of the security may appreciate before the short position is closed out.

There can be no assurance that the securities necessary to cover a short position will be available for purchase by the Portfolio. If the lender requires that the securities be returned on short notice it may be necessary to replace the borrowed securities with purchases on the open market at a disadvantageous time, possibly at prices significantly in excess of the proceeds received from originally selling the securities short. Purchasing securities to close out the short position can itself cause the price of the securities to rise further, thereby exacerbating any loss. In addition, if a sufficient number of market participants have entered into a short position, the short position may not react in the same way as a security would with no or limited short interest. In certain circumstances it may be difficult to establish a desired short position, whether due to limited supply of the security available for borrowing, regulatory restrictions or otherwise. As a result the ability of the Investment Manager to fulfil the investment objective of the Portfolio may be constrained.

Sovereign debt obligations. By investing in debt obligations of governmental entities and supranational entities, the Portfolio will be exposed to the direct or indirect consequences of economic and political changes in various countries. The economic status of a country will affect the government's ability to honour its obligations whilst political changes in a country may affect the willingness of a particular government to make or provide for timely payments of its debt obligations. Investment in debt obligations of supranational entities is subject to the additional risk that one or more member governments may fail to make required capital contributions to a particular supranational entity and, as a result, such supranational entity may be unable to meet its obligations with respect to its debt obligations.

The ability of governments to make timely payments on their debt obligations is likely to be influenced strongly by the issuer's balance of payments, including export performance, and its access to international credits and investments. To the extent that a country receives payment for its exports in currencies other than the currency of the relevant debt obligation, such country's ability to make debt payments in the currency of the relevant debt obligation could be adversely affected. To the extent that a particular country develops a trade deficit, such country will need to depend on aid payments from foreign governments or continuing loans from foreign governments, supranational entities or private commercial banks. The access of a particular country to these forms of external funding may not be certain and a withdrawal of external funding could adversely affect the capacity of such country to make payments on its debt obligations. In addition, the cost of servicing debt obligations can be affected by a change in global interest rates since the majority of these debt obligations carry interest rates that are adjusted periodically based upon global rates.

There may be a limited or no established secondary market for some sovereign debt. Reduced secondary market liquidity may have an adverse effect on the market price and the ability of the Company to dispose of particular instruments. Reduced secondary market liquidity may also make it more difficult to obtain accurate market quotations for the purpose of determining the Net Asset Value. Market quotations for some sovereign debt may be available only from a limited number of dealers and may not necessarily represent firm bids of those dealers or prices for actual sales.

The holder of certain sovereign debt obligations may have limited legal recourse in the event of a default with respect to such obligations and any remedies may have to be pursued in the courts of the defaulting party itself. Legal recourse therefore may be significantly diminished. Bankruptcy, moratorium and other similar laws applicable to issuers of sovereign debt obligations may be substantially different from those applicable to issuers of private debt obligations.

Tax considerations. Where the Portfolio invests in securities that are not subject to withholding tax at the time of acquisition, there can be no assurance that tax may not be withheld in the future as a result of any change in applicable laws, treaties, rules or regulations or the interpretation thereof. The Portfolio may not be able to recover such withheld tax and so any such change could have an adverse effect on the Net Asset Value of the Portfolio. Where the Portfolio sells securities short that are subject to withholding tax at the time of sale, the price obtained will reflect the withholding tax liability of the purchaser. In the event that in the future such securities cease to be subject to withholding tax, the benefit thereof will accrue to the purchaser and not to the Portfolio.

Trading strategies. There can be no assurance that the specific trading strategies utilised for the Portfolio will produce profitable results. Profitable trading is often dependent on anticipating trends or trading patterns. Markets subject to random price fluctuations, rather than defined trends or patterns, may generate a series of losing trades. There have been periods in the past when the markets have been subject to limited and ill-defined price movements, and such periods may recur. Any factor which may lessen major price trends (such as governmental controls affecting the markets) may reduce the prospect for future trading profitability. Any factor which would make it difficult to execute trades, such as reduced liquidity or extreme market developments, could also be detrimental to profits. The best trading strategy, whether based on fundamental or technical analysis, will not be profitable if there are no trends of the kind it seeks to follow. No assurance can be given that the techniques and strategies of the Investment Manager will be profitable.

Transaction costs. The Portfolio is obligated to pay brokerage commissions and related transaction fees and costs, which can be substantial, regardless of whether its trading activities are profitable. The Portfolio must also pay its own fees and operating and administrative expenses. It will be necessary for the Portfolio to achieve gains in excess of these aggregate fees and costs in order for Shareholders to realise an increase in the Net Asset Value of their Participating Shares. There can be no assurance that the Portfolio will be able to achieve such, or any, appreciation of its assets.

Undervalued and overvalued securities. One of the objectives of the Company will be to identify and invest in undervalued and/or overvalued securities. The identification of investment opportunities in undervalued and overvalued securities is a difficult task, and there can be no assurance that such opportunities will be successfully recognised. While investment in undervalued and overvalued securities offer opportunities for above-average capital appreciation, these investments involve a high degree of financial risk and can result in substantial losses. The Investment Manager may make certain speculative investments in securities which it believes to be undervalued or overvalued. However, there can be no assurance that the securities purchased will in fact be undervalued or overvalued (as appropriate). In addition, the Company may be required to maintain positions in such securities for a substantial period of time before realising their anticipated value. During this period, a portion of the Portfolio's capital may be committed to the securities, thus possibly preventing the Company from investing in other opportunities. In addition, such purchases may be financed with borrowed funds and the Portfolio will have to pay interest on such funds during such waiting period.

Use of access products. Due to restriction on the direct ownership of shares listed on stock exchanges in certain countries, the Portfolio may obtain exposure to certain investments via access products. Access products are financial derivative instruments (such as notes, warrants, options or participation certificates) linked to particular shares, which aim to synthetically replicate the economic benefit of the relevant shares. An access product represents only an unsecured contractual obligation of the relevant issuer to provide the economic performance equivalent to holding the underlying shares (net of fees, charges and indirect costs). Accordingly, the Portfolio will be subject to the credit risk of the issuer of any access product it invests in and may suffer losses, potentially equal to the full value of the access product, if the relevant issuer fails to perform its obligations under the access product. An access product does not provide any beneficial or equitable entitlement or interest in the underlying shares to which the access product is linked. Nor does it entitle the Portfolio to make any claim against the company issuing the underlying shares.

The availability of a particular access product may be limited by applicable local regulations and requirements. As a result, the cost of investing in access products is subject to market supply and demand forces and is not based solely on the price of the underlying shares. Any access product will be subject to the terms and conditions imposed by its issuer. Access products typically have no active secondary market and so have limited liquidity. In order to liquidate investments, the Portfolio will rely upon the counterparty issuing the access product to quote a price to unwind any part of the access product. Accordingly the Investment Manager's ability to adjust positions may be restricted which may have an impact on the performance of the Portfolio.

Use information technology. The Investment Manager depends on information technology systems in order to assess investment opportunities, strategies and markets and to monitor and control risks for the Portfolio. Information technology systems are also used to trade in the underlying investments of the Portfolio. A failure of some kind which causes disruptions to these information technology systems could materially limit the Investment Manager's ability to adequately assess and adjust the investments of the Portfolio, formulate strategies and provide adequate risk control, any of which could harm the performance of the Portfolio.

The risk factors above and in the Memorandum do not purport to be a complete list of the risks associated with the Portfolio. Nor do they purport to be an entire explanation of the risks involved in an investment in the Portfolio. A potential investor should read the Memorandum and this Supplement in their entirety as well as consult with its own legal, tax and financial advisers before deciding to invest in the Portfolio.

FINANCIAL INFORMATION AND REPORTS

FINANCIAL STATEMENTS

The first audit of the Portfolio will be for the period beginning on the commencement of the operations of the Portfolio and ending on 31 December 2024 or such later date determined by the Directors, if the Portfolio is able to take advantage of an extended first audit period or audit exemption. The financial statements of the Portfolio will be presented in US Dollars and prepared in accordance with IFRS, unless the Directors otherwise deem appropriate.

REPORTS TO SHAREHOLDERS

Each Shareholder will be provided with a copy of an annual report that will include audited financial statements of the Portfolio within six months of the end of each financial year of the Company subject to reasonable delays which may be caused by the late receipt of financial statements from the Underlying Fund. Shareholders will also be provided with a monthly report on the investment performance of the Portfolio.