No:

Provided to:

SUPPLEMENT

GAMA HMC STRATEGIC YIELD 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

September 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 HMC Strategic Yield 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 such proportions as the Investment Manager determines in equity interests of Cliffwater Corporate Lending Fund, a statutory trust formed in the State of Delaware (the ***CCL Fund***) and Cliffwater Enhanced Lending Fund, a statutory trust formed in the State of Delaware (the ***CEL Fund*** and, together with the CCL Fund being referred to collectively as the ***Underlying Funds*** and each an ***Underlying Fund***).

The Company's investment, for the account of the Portfolio, in the Underlying Funds will be governed by the terms of the applicable prospectus relating to the private offering of equity interests by the corresponding Underlying Fund dated 27 July 2023, as amended or supplemented from time to time (the ***Underlying Fund Memorandum***) and the applicable Agreement and Declaration of Trust of the corresponding Underlying Fund (as the same may be amended, restated, waived or otherwise modified from time to time, the ***Underlying Fund Declaration***). The Underlying Fund Memorandum and the Underlying Fund Declaration 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 HMC Strategic Yield Income SP

a segregated portfolio of

Gama Liquid Access SPC

Directors	Ian Marcus Caó Dias Bernardo Queima Alves dos Santos Bernardus (Ruard) Buys
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 Itaim Bibi 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:

Business Day	any day on which banks in the Cayman Islands 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.
Calculation Period	a period of 12 months commencing on each 1 April, provided that the first Calculation Period in respect of any Class will be the period commencing on the date such Class is issued and ending on the next following 31 March.
CCL Fund	Cliffwater Corporate Lending Fund, a statutory trust formed in the State of Delaware
CEL Fund	Cliffwater Enhanced Lending Fund, a statutory trust formed in the State of Delaware
Class PB Share	a Participating Share designated as a Class PB Share.
Hurdle Amount	with respect to a Calculation Period is the amount that the Net Asset Value per Share of the applicable Class would have appreciated if such Class had achieved a return equal to that of the Hurdle Rate during such Calculation Period (after taking into account the amount and timing of any redemptions of Participating Shares of such Class during such Calculation Period).
Hurdle Rate	5% per annum.
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.
Loss Carry Forward	has the meaning given to such term in the section headed “Fees and Expenses”.
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.
Management Fee Calculation Period	the number of calendar days since the prior Valuation Day.

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.
NAV Release Date	has the meaning given to such term in the section headed "Redemptions – Redemption Price and Redemption Proceeds"
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.
Performance	means, with respect to a Class, the aggregate appreciation in the Net Asset Value per Share of such Class during the applicable Calculation Period.
Performance Fee	the performance fee, if any, payable by the Company, out of the assets of the Portfolio, to the Investment Manager pursuant to the Investment Management Agreement.
Portfolio	Gama HMC Strategic Yield Income SP, a segregated portfolio of the Company established in accordance with the Articles.
Redemption Day	the Business Day that coincides with the Repurchase Offer Deadline 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" and payable in the manner described in the section of this Supplement headed "Settlement".
Repurchase Offer Deadline	has the meaning given to such term in the section headed "Redemptions".
Subscription Day	each Business Day and/or such other day or days as the Directors may determine, either generally or in any particular case.
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 Funds	means, collectively, the CCL Fund and the CEL Fund and ***Underlying Fund*** shall be construed accordingly.
Underlying Fund Business Day	any day on which the New York Stock Exchange is open for business.
Underlying Fund Declaration	in relation to an Underlying Fund, the applicable Agreement and Declaration of Trust of such Underlying Fund, as the same may be amended, restated, waived or otherwise modified from time to time.
Underlying Fund Documents	the Underlying Fund Memorandum and the Underlying Fund Declaration.
Underlying Fund Memorandum	in relation to an Underlying Fund, the applicable prospectus relating to the private offering of equity interests by the corresponding Underlying Fund dated 27 July 2023, as amended or supplemented from time to time.
Underlying Manager	means, collectively or individually, as the context requires, the manager, investment manager or investment adviser of the Underlying Fund, being initially Cliffwater LLC, in its capacity as investment adviser of each Underlying Fund.
Valuation Day	each Business 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 1 May 2024 with the name 'Gama HMC Global Private Debt SP'. The name of the Portfolio was changed to 'Gama HMC Strategic Yield Income SP' by a written resolution of the Directors dated 18 June 2024.

PARTICIPATING SHARES

The Directors have created and designated one Class in respect of the Portfolio, being 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 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 Funds if, for any reason, the final value of portfolio securities or other assets in the Underlying Funds has not been provided to the Administrator by the time the Net Asset Value calculation is to be prepared or, if the Underlying Funds are not valued with the same frequency as the Portfolio. It is anticipated that, in calculating the Net Asset Value of the Portfolio, the interests in the Underlying Funds will be valued using the prior day's valuation provided by such Underlying Funds if there is no valuation available for the Underlying Funds in relation to the Valuation Day itself.

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 Funds 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 Funds supplied by the relevant administrators, valuation agents and/or the Underlying Manager of the Underlying Funds 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 Funds 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 Funds.

It is anticipated that broadly 80% of such net available assets will be invested in the CCL Fund and that 20% of such net available assets will be invested in the CEL Fund.

A description of the investment objective and investment strategies of each Underlying Fund is set out below in the section headed “Investment Strategies”.

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 PB Shares. This is not an offering of interests in the Underlying Funds, although a prospective investor should be fully informed about the Underlying Funds in making an investment decision.

There can be no assurance that the investment objective of either of the Underlying Funds will be achieved.

LIMITATIONS ON DESCRIPTION OF UNDERLYING FUNDS

Subscribers should be aware that the information regarding the investment objectives of the Underlying Funds 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 Funds each have 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 Funds rather than on a predetermined specification as to what the investment could comprise.

The terms of the Underlying Funds 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 Funds. 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 Funds based on the summary of principal terms contained in the applicable Underlying Fund Memorandum, the terms of which are subject to change. The terms of the documentation constituting and relating to the Underlying Funds may be subject to further material amendments in connection with further negotiations with prospective investors and the finalised terms of the Underlying Funds may be different from those summarised herein or provided in the materials referenced herein. The legal and offering documentation pertaining to the Underlying Funds 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 Funds.

The summary of the principal terms of the Underlying Funds 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 Funds cannot be assured. The information contained herein relating to the Underlying Funds, 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 Funds to prospective investors in the Underlying Funds. None of the Underlying Funds, 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 Funds, 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 Funds, 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 Funds 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 Funds.

Shareholders will not be parties to the governing documents of the Underlying Funds and, accordingly, will not have any rights thereunder and will have no standing or recourse against the Underlying Funds, 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 Funds, notwithstanding that the Company, for the account of the Portfolio, holds an interest in the Underlying Funds.

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 such proportions as the Investment Manager determines in equity interests of the CCL Fund and the CEL Fund.

Underlying Funds Investment Objectives and Investment Strategies

CCL Fund

The CCL Fund's primary investment objective is to seek consistent current income, while the CCL Fund's secondary objective is capital preservation. Under normal market conditions, the CCL Fund seeks to achieve its investment objectives by investing at least 80% of its assets (net assets, plus any borrowings for investment purposes) in loans to companies (***corporate loans***).

The CCL Fund's corporate loan investments are made through a combination of: (i) investing in loans to companies that are originated directly by a non-bank lender (for example, traditional direct lenders include asset management firms (on behalf of their investors), insurance companies, business development companies and specialty finance companies) (***direct loans***); (ii) investing in notes or other pass-through obligations representing the right to receive the principal and interest payments on a direct loan (or fractional portions thereof); (iii) purchasing asset-backed securities representing ownership or participation in a pool of direct loans; (iv) investing in companies and/or private investment funds (private funds that are excluded from the definition of "investment company" pursuant to Sections 3(c)(1) or 3(c)(7) of the Investment Company Act of 1940, as amended (the ***Investment Company Act***) that primarily hold direct loans; (v) investing in high yield securities, including securities representing ownership or participation in a pool of such securities; (vi) investing in bank loans, including securities representing ownership or participation in a pool of such loans; and (vii) investing in special purpose vehicles (***SPVs***) and/or joint ventures that primarily hold loans or credit-like securities. The Fund may focus its investment strategy on, and its portfolio of investments may be focused in, a subset of one or more of these types of investments. The Fund's investments in hedge funds and private equity funds that are excluded from the definition of "investment company" pursuant to Sections 3(c)(1) or 3(c)(7) of the Investment Company Act will be limited to no more than 15% of the CCL Fund's assets. Most direct loans are not rated by any rating agency, will not be registered with the Securities and Exchange Commission of the United States (***SEC***) or any state securities commission and will not be listed on any national securities exchange. The amount of public information available with respect to issuers of direct loans may generally be less extensive than that available for issuers of registered or exchange listed securities.

The CCL Fund's corporate loan investments may include secured debt (including first lien senior secured, unitranche and second lien debt) and unsecured debt (including senior unsecured and subordinated debt). First lien senior secured debt has first claim to any underlying collateral of a loan, second lien debt is secured but subordinated in payment and/or lower in lien priority to first lien holders, and unitranche loans are secured loans that combine both senior and subordinated debt into one tranche of debt, generally in a first lien position. In connection with a corporate loan, the Fund may invest in warrants or other equity securities of borrowers and may receive non-cash income features, including payment in kind (***PIK***) interest and original issue discount (***OID***). The CCL Fund may make investments at different levels of a borrower's capital structure or otherwise in different classes of a borrower's securities, to the extent permitted by law.

The CCL Fund also invests in other public and private credit investments, including U.S. or global high yield securities, bank loans, loan participations and assignments, non-performing loans, private and public business development companies (***BDCs***), collateralized loan obligations (***CLOs***), collateralized debt obligations (***CDOs***), mezzanine debt (which is typically subordinate to first lien and second lien debt, and in some cases, may be issued together with an equity security, e.g., with attached warrants), and distressed securities. A portion of the Fund's assets will be invested in cash or cash equivalents; in certain circumstances or market environments, the CCL Fund may hold a larger position in cash or cash equivalents and reduce its investment in credit investments. The CCL Fund also may invest in preferred securities, convertible securities, derivatives (such as options, swaps, futures contracts, forward agreements, reverse repurchase agreements and other similar transactions) for hedging and investment purposes, exchange-traded funds and other investment companies. When the CCL Fund invests in loans and debt securities, the CCL Fund may acquire warrants or other equity securities of borrowers as well. The CCL Fund may also invest in warrants and equity securities directly, including securities of specialty finance companies and companies that employ private debt strategies for all or part of their investment strategy. The CCL Fund's equity holdings may be issued by small-, mid- and large-cap companies. The CCL Fund may invest in issuers outside the United States.

The CCL Fund uses a "multi-lender" approach, whereby the Underlying Manager partners with a variety of corporate lenders (***Investment Partners***) to source investment opportunities for the CCL Fund. There can be no assurance that the CCL Fund will achieve its investment objectives.

The CCL Fund may make investments through direct and indirect wholly-owned subsidiaries (***Subsidiaries***). Such Subsidiaries will not be registered under the Investment Company Act; however, the CCL Fund will wholly own and control any Subsidiaries. The Board of Trustees of the CCL Fund has oversight responsibility for the investment activities of the CCL Fund, including its investment in any Subsidiary, and the CCL Fund's role as sole direct or indirect shareholder of any Subsidiary. To the extent applicable to the investment activities of a Subsidiary, the Subsidiary will follow the same compliance policies and procedures as the CCL Fund.

The CCL Fund would "look through" any such Subsidiary to determine compliance with its investment policies.

There is no limit on the duration, maturity or credit quality of any investment in the CCL Fund's portfolio. The CCL Fund may invest in below-investment grade debt securities and non-rated debt securities. These investments could constitute a material percentage of the CCL Fund's holdings at any given point in time. The CCL Fund leverages and may continue to leverage its investments, including through borrowings by one or more SPVs that are Subsidiaries of the CCL Fund, by "borrowing." Certain CCL Fund investments may be held by these SPVs. The CCL Fund may borrow cash for a number of reasons, including without limitation, in connection with its investment activities, to make distributions, to satisfy repurchase requests from Shareholders, and to otherwise provide the CCL Fund with temporary liquidity. Borrowing, including any borrowing through any SPVs that are Subsidiaries of the CCL Fund, will be limited to 33.33% of the CCL Fund's assets (50% of its net assets). The CCL Fund may invest directly in foreign debt and equity securities, including those from emerging markets, issued in both U.S. dollars and foreign currencies. It is not anticipated that investments in foreign securities and/or emerging markets will constitute a significant portion of the CCL Fund's investments. The CCL Fund's allocations among assets will vary over time in response to changing market opportunities. There can be no assurance that the CCL Fund will achieve its investment objectives.

CEL Fund

The CEL Fund's primary investment objective is to seek high current income and modest capital appreciation. The CEL Fund's secondary objective is capital preservation.

Under normal market conditions, the CEL Fund seeks to achieve its investment objectives by investing at least 80% of its assets (net assets, plus any borrowings for investment purposes) in lending to businesses, broadly defined as providing capital or assets to businesses or individuals in exchange for regular payments, the level of which is commensurate with the probability of loss for each investment or strategy, or through the provision of capital to businesses or individuals by acquiring assets from those businesses or individuals that produce regular cash flows as an alternative to a traditional loan, such as receivables factoring or a sale leaseback of real estate or equipment.

Investments by the CEL Fund may take the form of secured or unsecured bonds and loans with a fixed or floating coupon, a structured capital instrument with preference to common equity holders and a stated contractual interest payment or rate of return, assets with fixed lease payments, or other income producing assets. Investments may be made directly or indirectly through a range of investment vehicles that the Underlying Manager believes offer high current income across corporate, real asset and alternative credit opportunities. The Underlying Manager will employ a dynamic process that allocates the CEL Fund's assets between Investment Funds and direct investments. ***Investment Funds*** may include secondary strategies that primarily acquire credit funds and to a lesser extent, fund interests or direct investments in equity or other security types.

The Underlying Manager believes that the CEL Fund can benefit investors and achieve its objectives of attractive current yield, capital preservation, and low NAV volatility by diversifying across multiple credit strategies. Unlike many other asset classes, private debt is highly fragmented. As such, due diligence requires assessing the return and risk opportunities for individual types of credit strategies as well as selecting the best managers/funds to implement those credit strategies.

The below describes the credit strategies that the CEL Fund may utilize, each of which is considered an investment in lending to businesses for the purposes of the CEL Fund's 80% policy.

- *US, Non-US Corporate Direct Lending*: Directly originated by non-bank entities, typically senior secured loans to middle market companies underwritten on a cash flow or EBITDA basis.

- *Mezzanine*: Directly originated corporate loans (or structured equity) subordinate to senior debt. Can be secured by assets or unsecured, but have priority to equity.

- *Structured (CLO debt and equity)*: Typically highly levered investments in lower risk credit collateral.

- *Venture Debt*: Loans to venture capital-backed companies that are typically not yet profitable. Investments can be a combination of cash and PIK income plus equity/warrants.

- *Asset-based*: Debt or structured equity backed by assets and underwritten to asset value, rather than cash flow. Collateral may include hard assets and/or financial assets such as trade claims and receivables.

- *Leasing (Aircraft, Equipment, Other)*: Leasing of commoditized equipment or mission critical assets to counterparty over a defined term.

- *Real Estate Debt*: Loans collateralized by real estate. Typically takes the form of (i) a whole loan with the senior portion syndicated to a bank partner or (ii) a mezzanine unsecured loan.

- *Infrastructure*: Senior and mezzanine debt (or structured equity) investments backed by infrastructure assets.

- *Royalties*: Investments in intellectual property rights with credit-like cash flow characteristics or debt investments to companies collateralized by intellectual property rights.

- *Insurance-linked*: Sale of reinsurance policies tied primarily to weather events and other natural disasters.

- *Legal Finance*: Lending to law firms or claimants to fund litigation costs and/or general working capital needs, secured by future proceeds from either ongoing or settled cases.

- *Marketplace Lending*: Loans to consumers either originated on an individual basis or rediscount lending to platforms that originate consumer loans.

There is no limit on the duration, maturity or credit quality of any investment in the CEL Fund's portfolio, and the CEL Fund's assets will be dynamically allocated across durations, maturities and credit qualities. The CEL Fund's allocations among assets will vary over time in response to changing market opportunities. There can be no assurance that the CEL Fund will achieve its investment objectives. The CEL Fund may invest in below-investment grade debt securities or "junk" debt securities and non-rated debt or equity securities. These investments could constitute a material percentage of the CEL Fund's holdings at any given point in time.

The CEL Fund leverages and may continue to leverage its investments, including through borrowings by one or more SPVs that are wholly-owned subsidiaries of the CEL Fund, by "borrowing." Certain CEL Fund investments may be held by these SPVs. The Fund may borrow cash for a number of reasons, including without limitation, in connection with its investment activities, to make distributions, to satisfy repurchase requests from Shareholders, and to otherwise provide the CEL Fund with temporary liquidity.

Borrowing, including any borrowing through any SPVs that are wholly-owned subsidiaries of the CEL Fund, will be limited to 33.33% of the CEL Fund's assets (50% of its net assets).

The CEL Fund may invest directly in foreign debt and equity securities, including those from emerging markets, issued in both U.S. dollars and foreign currencies. It is not anticipated that investments in foreign securities and/or emerging markets will constitute a significant portion of the CEL Fund's investments.

General

Except as otherwise indicated, each of the Underlying Funds may change its investment objectives and any of its investment policies, restrictions, strategies, and techniques without shareholder approval. The investment objectives of each Underlying Fund are not a fundamental policy of the applicable Underlying Fund and may be changed by the Board of Trustees of the applicable Underlying Fund (the ***Board***) without the vote of a majority (as defined by the Investment Company Act) of the Underlying Fund's outstanding shares.

The Underlying Fund will notify its shareholders of any changes to its investment objectives or any of its investment policies, restrictions or strategies.

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

SUMMARY OF PRINCIPAL UNDERLYING FUND TERMS

Underlying Fund	Cliffwater Corporate Lending Fund (the ***CCL Fund***) is a closed-end management investment company structured as an "interval fund" and registered under the Investment Company Act, and organised as a Delaware statutory trust on March 21, 2018. Cliffwater Enhanced Lending Fund (the ***CEL Fund*** and, together with the CCL Fund being referred to collectively as the ***Underlying Funds*** and each an ***Underlying Fund***) is a closed-end management investment company structured as an "interval fund" and registered

under the Investment Company Act, and organised as a Delaware statutory trust on January 22, 2021.

Investment Objective and Investment Strategies of the Underlying Fund	These are described above in the section headed "Investment Strategies".
Underlying Manager	Cliffwater LLC serves as the investment adviser (the ***Underlying Manager***) of each Underlying Fund. The Investment Manager provides day-to-day investment management services to each Underlying Fund. The CEL Fund is non-diversified, which means that under the Investment Company Act, it is not limited in the percentage of its assets that it may invest in any single issuer of securities. The CCL Fund operates as a diversified fund, which means that at least 75% of the value of its total assets is represented by cash and cash items, government securities, securities of other investment companies, and other securities for the purposes of this calculation limited in respect of any one issuer to an amount not greater than 5% of the value of the total assets of the CCL Fund and to not more than 10% of the outstanding voting securities of such issuer. The Underlying Manager's principal place of business is located at 4640 Admiralty Way, 11th Floor, Marina del Rey, CA 90292-6623. The Underlying Manager is registered as an investment adviser with the SEC under the Investment Advisers Act of 1940, as amended. As of June 30, 2023, it had approximately US$17 billion in assets under management and US$93 billion in assets under advisement (including discretionary and non-discretionary accounts).
Interval Fund	Each Underlying Fund is an "interval fund" and, as such, has adopted a fundamental policy to make quarterly repurchase offers, at per-class net asset value (***NAV***), of not less than 5% nor more than 25% of the Underlying Fund's outstanding shares of beneficial interest (***Underlying Shares***) on the repurchase request deadline. Each Underlying Fund will offer to purchase only a small portion of its Shares each quarter, and there is no guarantee that the holders of the Underlying Shares (the ***Underlying Shareholders***), including the Company acting for the account of the Portfolio, will be able to sell all of the Shares that they desire to sell in any particular repurchase offer. If a repurchase offer is oversubscribed, the Underlying Fund may repurchase only a pro rata portion of the Underlying Shares tendered by each Underlying Shareholder. The potential for proration may cause some investors to tender more Underlying Shares for repurchase than they wish to have repurchased or result in investors being unable to liquidate all or a given percentage of their investment during the particular repurchase offer. Underlying Shares in the Underlying Fund provide limited liquidity since Underlying Shareholders will not be able to redeem Underlying Shares on a daily basis. An Underlying Shareholder, including the

Company acting for the account of the Portfolio, may not be able to tender its Underlying Shares in the Underlying Fund promptly after it has made a decision to do so. In addition, with very limited exceptions, Underlying Shares are not transferable, and liquidity will be provided only through repurchase offers made quarterly by the Underlying Fund. Underlying Shares in the Underlying Fund are therefore suitable only for investors who can bear the risks associated with the limited liquidity of Underlying Shares and should be viewed as a long-term investment.

Subscriptions

The CEL Fund offers Underlying Shares designated as Class I Shares. In the future, other classes of Underlying Shares may be registered and included in its offering.

The CCL Fund has been granted exemptive relief by the SEC permitting it to offer multiple classes of Underlying Shares. The CCL Fund currently offers Underlying Shares designated as Class I Shares. In the future, other classes of Underlying Shares may be registered or included in its offering.

The Underlying Shares will be offered in a continuous offering. Underlying Shares will generally be offered for purchase on any Underlying Fund Business Day, except that Underlying Shares may be offered more or less frequently as determined by the Underlying Fund in its sole discretion.

Underlying Shares are offered at a subscription price equal to the applicable NAV per Underlying Share of the relevant class as of the date such Underlying Shares are purchased.

Repurchase Procedures

Once each quarter, the Underlying Fund will offer to repurchase at NAV per Underlying Share no less than 5% of the outstanding Underlying Shares of the applicable Underlying Fund, unless such offer is suspended or postponed in accordance with regulatory requirements (as discussed below). For each repurchase offer, the Board will set an amount between 5% and 25% of the applicable Underlying Fund's Underlying Shares based on relevant factors, including the liquidity of the Underlying Fund's positions and the Underlying Shareholders' desire for liquidity.

The offer to purchase Underlying Shares is a fundamental policy that may not be changed without the vote of the holders of a majority of the Underlying Fund's outstanding voting securities (as defined in the Investment Company Act). Underlying Shareholders will be notified in writing of each quarterly repurchase offer, how they may request that the Underlying Fund repurchase their Underlying Shares, and the date the repurchase offer ends (the ***Repurchase Request Deadline***) (i.e., the date by which Underlying Shareholders can tender their Underlying Shares in response to a repurchase offer). Underlying Shares will be repurchased at the per-class NAV per Underlying Share determined as of the close of business no later than the fourteenth day after the Repurchase Request Deadline, or the next Underlying

Fund Business Day if the fourteenth day is not a Business Day (each a ***Repurchase Pricing Date***).

The time between the notification to Underlying Shareholders (the ***Underlying Shareholder Notification***) and the Repurchase Request Deadline is generally thirty (30) days, but may vary from no more than forty-two (42) days to no less than twenty-one (21) days. Underlying Shares tendered for repurchase by Underlying Shareholders prior to any Repurchase Request Deadline will be repurchased subject to the aggregate repurchase amounts established for that Repurchase Request Deadline. The Underlying Shareholder Notification will contain information Underlying Shareholders should consider in deciding whether to tender their Underlying Shares for repurchase.

The Underlying Shareholder Notification also will include detailed instructions on how to tender Underlying Shares for repurchase, state the Repurchase Offer Amount and identify the dates of the Repurchase Request Deadline, the scheduled Repurchase Pricing Date, and the date the repurchase proceeds are scheduled for payment (the ***Repurchase Payment Deadline***).

The Underlying Shareholder Notification also will set forth the NAV per Underlying Share that has been computed no more than seven (7) days before the date of such notification, and how Underlying Shareholders may ascertain the NAV per Underlying Share after the notification date.

Payment pursuant to the repurchase will be made by checks to the Underlying Shareholder's address of record, or credited directly to a predetermined bank account on the Repurchase Payment Date, which will be no more than seven (7) days after the Repurchase Pricing Date. The Board may establish other policies for repurchases of Shares that are consistent with the Investment Company Act, regulations thereunder and other pertinent laws.

If Underlying Shareholders tender for repurchase more than the Repurchase Offer Amount for a given repurchase offer, the Fund may, but is not required to, repurchase an additional amount of Underlying Shares not to exceed 2% of the outstanding Underlying Shares of the Underlying Fund on the Repurchase Request Deadline. If the Underlying Fund determines not to repurchase more than the Repurchase Offer Amount, or if Underlying Shareholders tender Underlying Shares in an amount exceeding the Repurchase Offer Amount plus 2% of the outstanding Underlying Shares on the Repurchase Request Deadline, the Underlying Fund will repurchase the Underlying Shares on a pro rata basis.

However, the Underlying Fund may accept all Underlying Shares tendered for repurchase by Underlying Shareholders who own less than US$2,500 worth of Underlying Shares and who tender all of their Underlying Shares, before prorating other amounts tendered.

The Underlying Fund may suspend or postpone a repurchase offer only: (a) if making or effecting the repurchase offer would cause the Underlying Fund to lose its status as a regulated investment company under the Internal Revenue Code of 1986, as amended; (b) for any period during which the New York Stock Exchange or any market on which the securities owned by the Underlying Fund are principally traded is closed, other than customary weekend and holiday closings, or during which trading in such market is restricted; (c) for any period during which an emergency exists as a result of which disposal by the Underlying Fund of securities owned by it is not reasonably practicable, or during which it is not reasonably practicable for the Underlying Fund fairly to determine the value of its net assets; or (d) for such other periods as the SEC may by order permit for the protection of Underlying Shareholders of the Underlying Fund.

Each Underlying Fund must maintain liquid assets equal to the Repurchase Offer Amount from the time that the Underlying Shareholder Notification is sent to Shareholders until the Repurchase Pricing Date. The Underlying Fund will ensure that a percentage of its net assets equal to at least 100% of the Repurchase Offer Amount consists of assets that can be sold or disposed of in the ordinary course of business at approximately the price at which the Underlying Fund has valued the investment within the time period between the Repurchase Request Deadline and the Repurchase Payment Deadline. The Board has adopted procedures that are reasonably designed to ensure that the Underlying Fund's assets are sufficiently liquid so that the applicable Underlying Fund can comply with the repurchase offer and the liquidity requirements described in the previous paragraph. If, at any time, the Underlying Fund falls out of compliance with these liquidity requirements, the Board will take whatever action it deems appropriate to ensure compliance.

Each Underlying Fund may cause a mandatory repurchase or redemption of all or some of the Underlying Shares of an Underlying Shareholder, including the Company for the account of the Portfolio, or any person acquiring Underlying Shares from or through an Underlying Shareholder, at NAV in accordance with the Underlying Fund Declaration and Section 23 of the Investment Company Act and Rule 23c-2 thereunder.

Valuation Day

Each Underlying Fund calculates its NAV as of the close of business on each Underlying Fund Business Day and at such other times as the Board may determine, including in connection with repurchases of Underlying Shares, in accordance with the procedures described below or as may be determined from time to time in accordance with policies established by the Board.

Valuations

The Board, including a majority of Independent Trustees, has approved valuation procedures for each Underlying Fund (the ***Underlying Fund Valuation Procedures***). The Underlying Fund Valuation Procedures provide that the Underlying Fund will value its investments at fair value unless market quotations are "readily available" as defined in the Investment Company Act.

As a general matter, to value the Underlying Fund's investments, the Underlying Manager, in its capacity as the delegated valuation designee of each Underlying Fund (in such capacity, the ***Valuation Designee***) will use current market values when readily available, and otherwise value the Underlying Fund's investments with fair value methodologies that the Underlying Manager believes to be consistent with those used by the Underlying Fund for valuing its investments. These fair value calculations will involve significant professional judgment by the Valuation Designee in the application of both observable and unobservable attributes, and it is possible that the fair value determined for a security may differ materially from the value that could be realized upon the sale of the security. There is no single standard for determining fair value of an investment. Likewise, there can be no assurance that the Underlying Fund will be able to purchase or sell an investment at the fair value price used to calculate the Underlying Fund's NAV. Rather, in determining the fair value of an investment for which there are no readily available market quotations, the Valuation Designee may consider several factors, including:

- evaluation of all relevant factors, including but not limited to, pricing history, current market level, supply and demand of the respective investment;
- comparison to the values and current pricing of investments that have comparable characteristics;
- knowledge of historical market information with respect to the investment;
- other factors relevant to the investment which would include, but not be limited to, duration, yield, fundamental analytical data, the Treasury yield curve, and credit quality.

The Valuation Designee may also consider periodic financial statements (audited and unaudited) or other information provided by the investment's borrower.

The Valuation Designee will attempt to obtain current valuation information from the borrower to value all fair valued investments, but it is anticipated that such information could be available on no more than a quarterly basis. This is especially true as it relates to direct loans. Furthermore, the Board may not have the ability to assess the accuracy of the valuation information from the borrowers.

Investment Management Fees

The CCL Fund pays to the Underlying Manager an investment management fee (the ***CCL Investment Management Fee***) in consideration of the advisory and other services provided by the Underlying Manager to the CCL Fund. Pursuant to the applicable Investment Management Agreement, the CCL Fund pays the Underlying Manager a monthly CCL Investment Management Fee equal to 1.00% on an annualized basis of the CCL Fund's average daily net assets, subject to certain adjustments.

The CCL Investment Management Fee will be paid to the Underlying Manager before giving effect to any repurchase of Underlying Shares in the CCL Fund effective as of that date, and will decrease the net profits or increase the net losses of the CCL Fund that are credited to its Underlying Shareholders. Net assets means the total value of all assets of the CCL Fund, less an amount equal to all accrued debts, liabilities and obligations of the CCL Fund; provided that for purposes of determining the CCL Investment Management Fee payable to the Underlying Manager for any month, net assets will be calculated prior to any reduction for any fees and expenses of the CCL Fund for that month, including, without limitation, the CCL Investment Management Fee payable to the Underlying Manager for that month. The CCL Investment Management Fee will be accrued daily, and will be due and payable monthly in arrears within ten (10) Underlying Fund Business Days after the end of the month.

The CEL Fund pays to the Underlying Manager an investment management fee (the ***CEL Investment Management Fee***) in consideration of the advisory and other services provided by the Underlying Manager to the CEL Fund. Pursuant to the applicable Investment Management Agreement, the CEL Fund pays the Underlying Manager a monthly CEL Investment Management Fee equal to 0.95% on an annualized basis of the CEL Fund's average daily net assets. The CEL Investment Management Fee will be paid to the Underlying Manager before giving effect to any repurchase of Underlying Shares in the CEM Fund effective as of that date, and will decrease the net profits or increase the net losses of the CEL Fund that are credited to its Underlying Shareholders. Net assets means the total value of all assets of the CEL Fund, less an amount equal to all accrued debts, liabilities and obligations of the CEL Fund; provided that for purposes of determining the CEL Investment Management Fee payable to the Underlying Manager for any month, net assets will be calculated prior to any reduction for any fees and expenses of the CEL Fund for that month, including, without limitation, the CEL Investment Management Fee payable to the Underlying Manager for that month. The CEL Investment Management Fee will be accrued daily, and will be due and payable monthly in arrears within ten (10) Underlying Fund Business Days after the end of the month.

Distribution Policy

Each Underlying Fund intends to make quarterly distributions of substantially all of its net investment income. Distributions cannot be assured, and the amount of each distribution is likely to vary. Distributions will be paid at least annually in amounts representing substantially all of the net investment income not previously distributed in a quarterly distribution and net capital gains, if any, earned each year. The Underlying Fund is not a suitable investment for any investor who requires regular dividend income.

Each Underlying Shareholder whose Underlying Shares are registered in its own name will automatically be a participant under the

	Underlying Fund's dividend reinvestment program (the ***DRIP***) and have all income dividends and/or capital gains distributions automatically reinvested in Underlying Shares priced at the then-current NAV unless such Underlying Shareholder, at any time, specifically elects to receive income dividends and/or capital gains distributions in cash. The Company, for the account of the Portfolio, has elected, or will elect, to receive income dividends and/or capital gains distributions in cash. An Underlying Shareholder receiving Underlying Shares under the DRIP instead of cash distributions may still owe taxes and, because Underlying Shares are generally illiquid, may need other sources of funds to pay any taxes due.
Transfers	Transfers of the Underlying Shares are subject to the consent of the Underlying Fund.
Administrator	UMB Fund Services, Inc. acts as the administrator to the Underlying Funds.
Auditors	Cohen & Company, Ltd. acts as the auditors to the Underlying Funds.

DIVERSIFICATION AND INVESTMENT RESTRICTIONS

The Company's primary investment strategy for the Portfolio is to invest substantially all of its assets in the Underlying Funds 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 envisaged that any distributions of net investment income from the Underlying Funds will generally be distributed within 5 Business Days of the end of the quarter in which such distribution was received by the Company, by way of dividend, in such amounts and at such times as the Directors in their sole discretion may determine. If a dividend is declared, the Directors will distribute it in compliance with applicable law. The Portfolio is not a suitable investment for any investor who requires regular dividend income.

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

Management Fee

The Company will pay the Investment Manager a Management Fee, out of the assets of the Portfolio, broadly equal to 1.5 per cent per annum of the aggregate Net Asset Value of each Class.

Such Management Fee will be calculated on each Valuation Day based on the number of calendar days within the applicable Management Fee Calculation Period. Accordingly, the product of (i) 1.5 per cent of the Net Asset Value of each Class calculated before the deduction of the Management Fee applicable to such Management Fee Calculation Period, divided by (ii) 365, shall be accrued in respect of each calendar day of the applicable Management Fee Calculation Period as a Management Fee and notwithstanding that it is only calculated on each Valuation Day.

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.

Performance Fee

The Investment Manager will also be entitled to receive a Performance Fee, out of the assets of the Portfolio, in respect of each Class in issue.

For each Calculation Period, the Performance Fee in respect of each Class will be equal to the product of (i) the Relevant Percentage and (ii) the amount by which the Performance of such Class is greater than the Hurdle Amount, subject to the Loss Carry Forward corresponding to such Class. The Performance Fee will be calculated as at each Valuation Day in respect of each Class by reference to the Net Asset Value of such Class before deduction for any accrued Performance Fee. The ***Relevant Percentage*** is 10 per cent in respect of Class PB Shares.

The Performance Fee related to each Class is subject to what is commonly known as a "high water mark" provision. That is, if the Performance of a Class is less than the Hurdle Amount for such Class in a Calculation Period, this loss will be recorded and carried forward as to such Class to future Calculation Periods (the amount of such loss is referred to as a ***Loss Carry Forward***).

Whenever there is a Loss Carry Forward for a Class with respect to a Calculation Period, a Performance Fee will not be payable with respect to such Class for future Calculation Periods until the Loss Carry Forward amount for such Class has been recovered (i.e. when the Loss Carry Forward amount has been exceeded by the cumulative positive Performance of such Class in excess of the Hurdle Amount for the Calculation Periods following the Loss Carry Forward).

Once the Loss Carry Forward has been recovered with respect to a Class, the Performance Fee will be based on the excess positive Performance of such Class in excess of the Hurdle Amount for the Calculation Periods (over the Loss Carry Forward) with respect to such Class, rather than on all positive Performance. The Investment Manager may alter the application of the Loss Carry Forward provision with respect to a Class upon the agreement of Shareholder(s) holding such Class.

In the event that a Shareholder redeems Participating Shares at a time when such Participating Shares have a Loss Carry Forward, the amount of such Loss Carry Forward at such Redemption Day applicable to such Shareholder will be reduced by a fraction, the numerator of which is the aggregate Net Asset Value per Share of the Class of Participating Shares being redeemed by the Shareholder, and the denominator of which is the aggregate Net Asset Value per Share of all of such Shareholder's Participating Shares of such Class immediately prior to the redemption.

The Performance Fee will be paid to the Investment Manager in arrears as soon as reasonably practicable after the end of each Calculation Period.

If Participating Shares are redeemed during a Calculation Period, the Performance Fee in respect of such Participating Shares will be calculated as though the relevant Redemption Day was the end of a Calculation Period. An amount equal to any Performance Fee in respect of such Participating Shares will be paid to the Investment Manager as soon as reasonably practicable after the relevant Redemption Day. In the event of a partial redemption, Participating Shares will be treated as redeemed on a first in, first out basis for the purpose of calculating the Performance Fee.

If the Investment Management Agreement is terminated during a Calculation Period, the Performance Fee in respect of the then current Calculation Period will be calculated and paid as though the date of termination were the end of the relevant Calculation Period.

The above system has been designed to treat all Shareholders within each Class fairly, with respect to the Performance Fee payable. Each Class will have identical rights, only differing to the extent necessary to ensure that Shareholders are treated appropriately when determining and allocating the Performance Fee (i.e. there may be such necessary differences in the Net Asset Value per Share and Performance Fee payable). Thus, depending on when an investor acquires Participating Shares, they may be charged a Performance Fee for outperformance in a particular Calculation Period while other investors, whose Participating Shares are recovering any previous Loss Carry Forward during that Calculation Period, will not be charged a Performance Fee.

The Performance Fee is subject to adjustment upon completion of the relevant audit for the Calculation Period.

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

The Subscription Price for further Participating Shares of an existing Class will be equal to the Net Asset Value per Share of the relevant Class as at the Valuation Day of the same 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 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$10,000 in the case of Class PB Shares or such lesser amount as the Directors may determine, either generally or in any particular case.

REDEMPTIONS

PROCEDURE FOR THE REDEMPTION OF PARTICIPATING SHARES

Following the receipt of written confirmation of the corresponding repurchase dates from and/or on behalf of the Underlying Funds, Shareholders will be notified as soon as practicable in writing at the beginning of each calendar year of the quarterly dates (throughout the relevant calendar year) on which equity interests in the Underlying Funds may be repurchased by the Company, (the ***Repurchase Offer Deadline***).

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 the Business Day prior to the relevant Redemption Day(or such later day or time as the Directors may permit, either generally or in any particular case). 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.

If a redeeming Shareholder owns Participating Shares of more than one Class, Participating Shares will be redeemed on a "first in-first out" basis for the purpose of determining the Redemption Price. Accordingly, Participating Shares of the earliest issued Class held by the Shareholder will be redeemed first, at the Redemption Price of Participating Shares of such Class until the redeeming Shareholder no longer owns any Participating Shares of such Class.

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 and will generally be determined within 16 calendar days of the relevant Redemption Day (the ***NAV Release Date***).

DEFERRAL OF REDEMPTIONS

The Underlying Fund imposes certain restrictions on the Company's ability to have its Underlying Shares repurchased.

In the event that either or both of the Underlying Funds limit the Company's ability, for the account of the Portfolio, to have the Underlying Shares repurchased, 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 within 8 calendar days of the applicable NAV Release Date and 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, 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 Funds 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 Underlying Funds that 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 investment delays such withdrawals or redemptions by the Company. None of 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 Funds delays. All amounts subject to a redemption request to which such delay applies may remain at risk in the Portfolio pending settlement.

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, at the discretion of the Directors, 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 wide spread 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 Funds. Shareholders will also be provided with a monthly report on the investment performance of the Portfolio.