

Copy No: \_\_\_\_\_

Furnished to: \_\_\_\_\_

## CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM

### AON ALTERNATIVES FUND SPC

*a Cayman Islands exempted company registered as a segregated portfolio company*

July 2020

*Pursuant to an exemption from the U.S. Commodity Futures Trading Commission (the "CFTC") in connection with pools whose participants are limited to qualified eligible persons, an offering memorandum for this pool is not required to be, and has not been, filed with the CFTC. The CFTC does not pass upon the merits of participating in a pool or upon the adequacy or accuracy of an offering memorandum. Consequently, the CFTC has not reviewed or approved this offering or any offering memorandum for this pool.*

*You should also be aware that this commodity pool may trade foreign futures or options contracts. Transactions on markets located outside the United States, including markets formally linked to a United States market, may be subject to regulations which offer different or diminished protection to this pool and its participants. Further, United States regulatory authorities may be unable to compel the enforcement of the rules of regulatory authorities or markets in non-U.S. jurisdictions where transactions for this pool may be effected.*

## DIRECTORY

### **AON ALTERNATIVES FUND SPC**

Please direct investor inquiries to Investor Services at Northern Trust Global Fund Services Cayman Limited, 94 Solaris Avenue, Camana Bay, P.O. Box 1348, Grand Cayman KY1-1108, Cayman Islands. Telephone No.: 345-943-5499; Facsimile No.: 345-943-3703; E-mail: investorservices@ntrs.com.

#### **Fund**

Aon Alternatives Fund SPC  
c/o Maples Corporate Services Limited  
PO Box 309, Uglan House  
Grand Cayman KY1-1104  
Cayman Islands

#### **AIUS**

Aon Investments USA Inc.  
200 East Randolph Street  
Suite 700  
Chicago, Illinois 60601  
U.S.A.

#### **Independent Directors**

Benoit Sansoucy  
Letitia Solomon  
Maples Fiduciary Services (Cayman) Limited  
PO Box 1093  
Boundary Hall  
Cricket Square  
Grand Cayman KY1-1102  
Cayman Islands

#### **Principals of the Investment Manager**

Aon Investments USA Inc.  
200 East Randolph Street  
Chicago, Illinois 60601  
U.S.A.

#### **Administrator**

Northern Trust Global Fund Services Cayman Limited  
94 Solaris Avenue  
Camana Bay  
P.O. Box 1348  
Cayman Islands  
Grand Cayman KY1-1108  
Cayman Islands

#### **Auditor**

Ernst & Young Ltd.  
62 Forum Lane  
Camana Bay, P.O. Box 510  
Grand Cayman KY1-1106  
Cayman Islands

#### **U.S. Legal Counsel**

Schulte Roth & Zabel LLP  
919 Third Avenue  
New York, New York 10022  
United States

#### **Cayman Islands Legal Counsel**

Maples and Calder  
PO Box 309, Uglan House  
Grand Cayman KY1-1104  
Cayman Islands

## CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM

### Aon Alternatives Fund SPC

Aon Alternatives Fund SPC (the "Fund") is an exempted company registered as a segregated portfolio company under the laws of the Cayman Islands on March 20, 2014. As of the date hereof, the Fund has established two segregated portfolios, Aon Return Enhancing Alternatives Portfolio SP (formerly known as Aon Opportunistic Alternatives Portfolio SP) and Aon Opportunistic Credit Portfolio SP (the "Existing Portfolios") for which Aon Investments USA Inc. (formerly known as Aon Hewitt Investment Consulting, Inc. ("AIUS")) serves as the investment manager. The Fund, from time to time, may establish one or more additional segregated portfolio(s) (each, a "Portfolio" and, together with the Existing Portfolios, the "Portfolios") or discontinue existing Portfolios in the discretion of the Board of Directors in consultation with AIUS. In certain cases, a Portfolio may seek to achieve its investment objective by investing all of its investable assets in one or more separate investment funds, each expected to be a Cayman Islands exempted company (collectively, the "Investment SPVs" and each individually, an "Investment SPV"). AIUS will generally serve as the investment manager of a Portfolio (and any corresponding Investment SPVs) and invest the assets of the Portfolio (and any corresponding Investment SPVs) in accounts or funds managed by third-party managers (each, a "Manager"). AIUS' role and as well as the investment program and strategies of the Portfolio (or Investment SPVs, if any) and of the underlying accounts and/or funds of the Managers, the associated risk factors as well as the specific terms of the Portfolio will be fully described in one or more supplements (each, a "Supplement") to this Confidential Private Placement Memorandum (this "Memorandum") that relates specifically to such Portfolio (and any corresponding Investment SPVs). References in this Memorandum to the "Memorandum" will, as applicable, include the relevant Supplement. References to a "Portfolio" will, as applicable, include any Investment SPV through which such Portfolio makes its investments.

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

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

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

This Memorandum has been prepared for the information of the person to whom it has been delivered (the "Recipient") by or on behalf of the Fund, and may not be reproduced or used for any other purpose. By accepting this Memorandum, the Recipient agrees (i) not to reproduce or distribute this Memorandum, in whole or in part, without the prior written consent of the Fund or its authorized representatives, (ii) to return this Memorandum to the Fund or its authorized representatives upon request and (iii) not to disclose any information contained in this

Memorandum or any other information relating to the Fund, its Portfolios, the corresponding Investment SPVs (if applicable), including, without limitation, performance and financial statements, to any person who is not a trustee, director, officer, employee, auditor, agent, attorney, financial adviser or other professional adviser responsible for matters relating to the Fund and its Portfolios or who otherwise has a need to know such information in connection with such person's responsibilities with respect to the Recipient and who is under an obligation to keep such information confidential, except to the extent such information is in the public domain (other than as a result of any action or omission of the Recipient or permitted person to whom the Recipient has disclosed such information). Notwithstanding anything to the contrary in this Memorandum, each investor (and each employee, representative or other agent of such investor) may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure of (i) the Fund, each Portfolio and any corresponding Investment SPV and (ii) any of the Portfolio's or the Investment SPV's transactions, and all materials of any kind (including opinions or other tax analyses) that are provided to such investor relating to such tax treatment and tax structure, it being understood that "tax treatment" and "tax structure" do not include the name or the identifying information of (a) the Fund, the Portfolios or the Investment SPVs or (b) the parties to a transaction.

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

Certain information contained in this Memorandum constitutes "forward-looking statements", which can be identified by the use of forward-looking terminology such as "may", "will", "should", "expect", "anticipate", "target", "project", "estimate", "intend", "continue" or "believe", or the negatives thereof or other variations thereon or comparable terminology. Due to various risks and uncertainties, actual events or results of the actual performance of any investment made by the Portfolio may differ materially from those reflected or contemplated in such forward-looking statements.

Each prospective or current investor, when making its decision to subscribe for Shares or making a subsequent investment decision with respect to a Portfolio of the Fund, can rely only on information included in the Fund Documents and AIUS' Form ADV (irrespective of any other information furnished to such investor).

---

*The Shares are suitable only for sophisticated investors (i) that do not require immediate liquidity for their investments, (ii) for which an investment in a Portfolio of the Fund does not constitute a complete investment program and (iii) that fully understand and are willing*

and able to assume the risks of an investment in a Portfolio of the Fund. Each subscriber for Shares will be required to represent that it is acquiring the Shares for its own account, for investment purposes only and not with a view toward distributing or reselling the Shares in whole or in part. There is no established secondary market for the Shares, and none is expected to develop.

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

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

---

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

The Shares have not been filed with, registered, approved by or disapproved by the U.S. Securities and Exchange Commission (the "SEC") or any other governmental agency, regulatory authority or national securities exchange of any country or jurisdiction, with the exception of filing this document with the Cayman Islands Monetary Authority (the "Monetary Authority"). No such agency, authority or exchange has passed upon the accuracy or adequacy of this Memorandum or the merits of an investment in the Shares offered hereby. Any representation to the contrary is a criminal offense.

The Fund has not been nor will it be registered as an investment company under the U.S. Investment Company Act of 1940, as amended (the "Company Act"). Similarly, no Investment SPVs will be so registered. Consequently, the Fund will not be required to adhere to certain restrictions and requirements under the Company Act, and investors will not be afforded the protections of the Company Act.

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

# Town of Wilton Ref # 44024

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

**NO OFFER OR INVITATION TO SUBSCRIBE FOR SHARES MAY BE MADE TO THE PUBLIC IN THE CAYMAN ISLANDS.**

---

**SUBJECT TO SUCH HIGHER MINIMUM AS THE FUND MAY DETERMINE, PURSUANT TO THE MUTUAL FUNDS LAW THE MINIMUM AGGREGATE EQUITY INTEREST PURCHASABLE BY A PROSPECTIVE INVESTOR IS EIGHTY THOUSAND CAYMAN ISLANDS DOLLARS (OR ITS EQUIVALENT IN ANY OTHER CURRENCY, APPROXIMATELY US\$100,000).**

---

**MUTUAL FUND LICENCE ISSUED OR A FUND REGISTERED BY THE CAYMAN ISLANDS MONETARY AUTHORITY DOES NOT CONSTITUTE AN OBLIGATION OF THE AUTHORITY TO ANY INVESTOR AS TO THE PERFORMANCE OR CREDITWORTHINESS OF THE FUND. FURTHERMORE, IN ISSUING SUCH A LICENCE OR IN REGISTERING A FUND, THE AUTHORITY SHALL NOT BE LIABLE FOR ANY LOSSES OR DEFAULT OF THE FUND OR FOR THE CORRECTNESS OF ANY OPINIONS OR STATEMENTS EXPRESSED IN ANY PROSPECTUS OR OFFERING DOCUMENT.**

## TABLE OF CONTENTS

|   | <u>Page</u> |
|---|-------------|
| SUMMARY OF TERMS .....  | 1           |
| THE FUND, THE PORTFOLIOS AND THE INVESTMENT SPVs.....                 | 1           |
| INVESTMENT PROGRAM.....   | 2           |
| MANAGEMENT .....  | 3           |
| OFFERING OF SHARES .....  | 3           |
| USE OF PROCEEDS .....   | 4           |
| THE SHARES .....  | 4           |
| INITIAL AND ADDITIONAL SUBSCRIPTIONS .....                            | 5           |
| AIUS FEE.....   | 6           |
| EXPENSES.....   | 6           |
| INVESTMENT SPV SHARES .....   | 8           |
| NET ASSET VALUE.....  | 9           |
| REDEMPTIONS .....   | 10          |
| LIMITATIONS ON TRANSFERABILITY .....                                  | 13          |
| FISCAL YEAR.....  | 14          |
| TAXATION.....   | 14          |
| ERISA.....  | 14          |
| SUITABILITY REQUIREMENTS.....   | 15          |
| REPORTS.....  | 15          |
| SUBSCRIPTION FOR SHARES.....  | 15          |
| PLACEMENT AGENT.....  | 15          |
| MANAGEMENT.....   | 16          |
| CERTAIN RISK FACTORS .....  | 22          |
| VALUATION.....  | 31          |
| OTHER ACTIVITIES OF MANAGEMENT; POTENTIAL CONFLICTS OF INTEREST ..... | 31          |
| INDEPENDENT AUDITORS.....   | 37          |
| THE ADMINISTRATOR.....  | 37          |
| TAX ASPECTS .....   | 38          |
| ERISA CONSIDERATIONS .....  | 47          |
| OTHER REGULATORY MATTERS .....  | 53          |
| NEW ISSUES .....  | 59          |
| CAPITAL STRUCTURE OF THE FUND .....                                   | 60          |
| CAPITAL STRUCTURE OF THE INVESTMENT SPVs.....                         | 62          |
| LEGAL COUNSEL.....  | 63          |
| SUITABILITY REQUIREMENTS.....   | 64          |

## APPENDIX A      REGULATION S DEFINITION OF U.S. PERSON



## INDEX OF DEFINED TERMS

|   |  |
|---|--|
| <p>\$ iii</p> <p>10% Amount ..... 44</p> <p>Account ..... 32</p> <p>Accounts ..... 32</p> <p>Administration Agreement..... 37</p> <p>Administrator ..... 37</p> <p>Advisers Act..... 16</p> <p>Advisory Committee..... 35</p> <p>AEOI Regulations ..... 46</p> <p>Affected Shares ..... 62</p> <p>AIUS ..... i, 3</p> <p>AIUS Agreement ..... 3, 17</p> <p>AIUS Fee ..... 6</p> <p>AML Officers..... 58</p> <p>AML Regulations..... 56</p> <p>AML/OFAC Obligations ..... 56</p> <p>Articles of Association..... iv</p> <p>Auditors..... 37</p> <p>Beneficial Ownership Regime ..... 58</p> <p>Benefit Plan Investors ..... 48</p> <p>Board of Directors..... 3</p> <p>Cayman TIA..... 25, 41</p> <p>CFTC..... i</p> <p>CIMA ..... 21</p> <p>Class ..... 4</p> <p>Class A Shares ..... 4</p> <p>Class B Shares..... 4</p> <p>close associate ..... 57</p> <p>Companies Law ..... 54</p> <p>Company Act ..... iii</p> <p>Cross Trade ..... 34</p> <p>Current Year..... 25, 42</p> <p>delegated clients..... 49</p> <p>Director ..... 3</p> <p>DOL ..... 47</p> <p>Effective Date ..... 62</p> <p>ERISA ..... 14</p> <p>ERISA Plan..... 47</p> <p>EU ..... 56</p> <p>Existing Portfolios ..... i, 2</p> <p>family member ..... 57</p> <p>FBAR ..... 44</p> <p>FCMs..... 23</p> | <p>FINRA..... 59</p> <p>Fiscal Year ..... 14</p> <p>Fund ..... i</p> <p>Fund Documents ..... 1</p> <p>Fund of One ..... 32</p> <p>GAAP..... 8</p> <p>Indemnified Losses ..... 18</p> <p>Indemnified Party..... 18</p> <p>Individual Retirement Fund ..... 47</p> <p>Internal Revenue Code..... 8</p> <p>Investment SPV ..... i, 2</p> <p>Investment SPV Articles..... 62</p> <p>Investment SPV Board of Directors ..... 3</p> <p>Investment SPV Shares..... 9</p> <p>Investor-Related Taxes ..... 7</p> <p>IRA..... 52</p> <p>Judicially Determined ..... 18</p> <p>Legal Counsel ..... 63</p> <p>Management Shares ..... 5, 60</p> <p>MaplesFS ..... 21</p> <p>Memorandum..... i</p> <p>Monetary Authority ..... iii</p> <p>Mutual Funds Law ..... iii</p> <p>Negative Consent Procedure..... 62</p> <p>Negative Consent Shares ..... 62</p> <p>NFA..... 16</p> <p>Non-U.S. Bank..... 57</p> <p>non-U.S. shareholders..... 41</p> <p>OFAC..... 56</p> <p>OTC..... 23</p> <p>Other Accounts ..... 32</p> <p>Permitted U.S. Person ..... 64</p> <p>PFIC ..... 44</p> <p>Placement Agent ..... 15</p> <p>Politically Exposed Person ..... 57</p> <p>Portfolio ..... i, 2</p> <p>potential filers ..... 44</p> <p>Prior Year..... 25, 42</p> <p>Proceedings ..... 18</p> <p>Proposal..... 62</p> <p>QPAM..... 51</p> <p>Recipient ..... i</p> <p>Redemption Date ..... 10</p> |
|---|--|

# Town of Wilton Ref # 44024

|                                       |       |                                 |        |
|---------------------------------------|-------|---------------------------------|--------|
| Redemption Request Date.....          | 62    | shell bank .....                | 57     |
| REITs .....                           | 39    | Side Letter Agreements.....     | 36     |
| Reportable Accounts .....             | 46    | Specified Redemption Date ..... | 62     |
| Reportable Transaction Disclosure     |       | SRZ .....                       | 63     |
| Statement.....                        | 44    | Subscription Agreement.....     | 15     |
| Reporting Financial Institution ..... | 46    | Subscription Date.....          | 3      |
| Roll-Up Series.....                   | 5     | Supplement .....                | i      |
| Safe Harbor .....                     | 39    | Tax-Exempt U.S. Person.....     | 43     |
| Sanctions Lists .....                 | 56    | Trading Advisor .....           | i      |
| SEC .....                             | iii   | Transfer .....                  | 13     |
| Securities Act .....                  | iii   | U.S. dollars.....               | iii    |
| Series Roll-Up.....                   | 5     | U.S. Person.....                | 64     |
| Service.....                          | 25    | UBTI .....                      | 43     |
| Service Providers .....               | 29    | UK.....                         | 56     |
| Share Rights .....                    | 61    | US IGA .....                    | 25, 41 |
| Share Trustee .....                   | 5, 61 | USRPHCs .....                   | 39     |
| Shareholders.....                     | i     | Valuation Policy.....           | 31     |
| Shares .....                          | 4     |                                 |        |

## AON ALTERNATIVES FUND SPC

### SUMMARY OF TERMS

The following is a summary of the principal terms of the Fund, its Portfolios and the Investment SPVs (if any). This summary is qualified in its entirety by the more detailed information set forth in this Memorandum, the Portfolio-specific Supplements to this Memorandum (which form part of this Memorandum), the Articles of Association and, if applicable, the Investment SPV Articles, each of which is available upon request, and each Shareholder's Subscription Agreement (collectively, the "Fund Documents"). This summary should be read in conjunction with such detailed information. In the event that any information in this Memorandum contradicts information set forth in any other Fund Document (including, for the avoidance of doubt, the Supplements), the applicable Fund Document will control.

#### THE FUND, THE PORTFOLIOS AND THE INVESTMENT SPVs:

##### The Fund

The Fund is an exempted company registered as a segregated portfolio company under the laws of the Cayman Islands on March 20, 2014 for an unlimited duration and operates as a private investment fund primarily for the benefit of non-U.S. Persons and Permitted U.S. Persons.

Copies of the Memorandum and Articles of the Fund are available upon request from the Investment Manager and, upon reasonable notice, may be inspected at the offices of the Investment Manager. The Fund will not generally issue any certificates in respect of its Shares (as defined below) and the Shares are not expected to be listed on any stock exchange.

Copies of the constitutional documents of the Fund can be inspected at the address of Fund's registered office.

As a segregated portfolio company, the Fund can establish and operate segregated portfolios with the benefit of statutory segregation of assets and liabilities between each segregated portfolio under Cayman Islands law. To the extent applicable, references herein to the Fund taking certain actions will mean the Fund acting for the account of the relevant Portfolio. Similarly, to the extent applicable, references to a Portfolio taking certain actions will mean the Fund acting for the account of the relevant Portfolio.

AIUS reserves the right to vary the structure of the aforementioned entities and to establish other vehicles to invest into or along the Portfolios or Investment SPVs, for tax, regulatory, operational and other similar reasons.

##### The Portfolios

The Fund has established two segregated portfolios, Aon Return Enhancing Alternatives Portfolio SP (formerly known as Aon Opportunistic Alternatives Portfolio SP) and Aon Opportunistic Credit Portfolio SP (together, the "Existing Portfolios"). AIUS serves as the investment manager to the Existing Portfolios. The Fund, from time to time, may establish one or more additional segregated portfolio(s) (each, a "Portfolio" and, together with the Existing Portfolios, the "Portfolios") or discontinue existing Portfolios in the discretion of the Board of Directors in consultation with AIUS.

## The Investment SPV

In certain cases, a Portfolio may seek to achieve its investment objective by investing all of its investable assets through a "master-feeder" fund structure in a separate investment fund (each, an "Investment SPV"), each of which is expected to be an exempted company incorporated under the laws of the Cayman Islands.

As each Portfolio may conduct its investing and trading activities through, and may invest all of its investable assets in, a corresponding Investment SPV, references to the term "Portfolio" as used in this Memorandum in the context of the Portfolio's investments, investment program and related risks and conflicts should, as applicable, be understood to mean such Investment SPV or any other vehicle through which such Portfolio makes investments or enters into transactions.

## INVESTMENT PROGRAM:

Each Portfolio's Supplement(s) will set forth, among other things, the investment programs and strategies generally pursued by the Portfolio. References in this Memorandum to the "Memorandum" will, as applicable, include the relevant Supplement(s).

*The descriptions set forth in this Memorandum of specific strategies in which a Portfolio may engage or specific investments that a Portfolio may make should not be understood to limit in any way such Portfolio's investment activities. Subject to the terms of the relevant AIUS Agreement and the agreement with the applicable Manager, a Portfolio may engage in any investment strategy and make any investment, including any strategy or investment not described in this Memorandum, that AIUS and the Manager (as applicable) consider appropriate to pursue such Portfolio's investment objective. Each Portfolio's investment program is speculative and entails substantial risks. There can be no assurance that the investment objectives of a Portfolio will be achieved. (See "Certain Risk Factors".)*

MANAGEMENT: The Board of Directors

The board of directors of the Fund (the "Board of Directors") and, if the Investment SPVs (if any) are structured as Cayman Islands exempted companies, the board of directors of such Investment SPVs (each, an "Investment SPV Board of Directors") will comprise Steven Voss, Benoit Sansoucy and Letitia Solomon (each, a "Director"). While the Directors are responsible for the overall management of the Fund, its Portfolios and such Investment SPVs, the Directors have delegated all day-to-day activities to the service providers described herein. The Directors will receive periodic reports from AIUS detailing the performance of the Fund, its Portfolios and the relevant Investment SPVs, as well as information on each Portfolio's investment portfolio. AIUS will provide to the Directors such other information as may from time to time be reasonably required by the Directors.

AIUS

Aon Investments USA Inc. (formerly known as Aon Hewitt Investment Consulting, Inc. "AIUS"), an Illinois corporation, expects to serve as the investment manager of each Portfolio and Investment SPV (if any), as further described pursuant to the terms of an agreement with each such Portfolio and a separate agreement with any corresponding Investment SPV (each, an "AIUS Agreement"). The details of AIUS' role with respect to each Portfolio are set forth in the applicable Supplement.

Managers

Information relating to the focus of each Portfolio, the selection of the Managers for each such Portfolio as well as the funds or accounts managed by such Managers into which such Portfolio may invest is included in the Supplement relating to such Portfolio.

The agreements governing the Portfolio's investment in such account(s) or entities will contain customary terms for alternative investment portfolios, including termination provisions and indemnification and exculpation of the Managers by the relevant Portfolio and/or Investment SPV (as applicable), which terms will be summarized in the applicable Supplement.

OFFERING OF SHARES: Each Portfolio may admit new Shareholders and accept subscriptions as of the first day of each month or such other day as the Board of Directors may determine in its sole discretion (each, a "Subscription Date").

**USE OF PROCEEDS:** The proceeds from the sale of Shares in a Portfolio will be available for such Portfolio's investment program, after the payment of such Portfolio's organizational and offering expenses.

**THE SHARES:** Each Portfolio is currently offering redeemable, participating, non-voting class A shares ("Class A Shares"), class B shares ("Class B Shares") and such other classes of shares, upon such terms as described in the relevant Supplement (such shares, together with the Class A Shares and the Class B Shares of such Portfolio or of any other Portfolio of the Fund as may be issued from time to time, the "Shares") to certain qualified investors that, if accepted, will become Shareholders of the relevant Portfolio of the Fund.

Class A Shares will generally be offered to certain existing clients of AIUS or its affiliates, in each case, as determined by AIUS, in its sole discretion. Class A and Class B Shares will be subject to the same terms and have the same rights, except as described herein in connection with expenses and except as may be described in the relevant Supplement (*e.g.*, in relation to currency denomination and participation in profits, losses and expenses related to currency conversion and hedging).

Each Portfolio may establish additional classes of Shares (each class of Shares of any Portfolio, a "Class"), series or sub-series having, and/or may enter into Side Letter Agreements with Shareholders of such Portfolio that provide for, different or additional terms than those described in this Memorandum in respect of such Portfolio, including, without limitation, different AIUS Fee rates, information rights and redemption rights. The Portfolios may establish new Classes, series or sub-series of Shares and may enter into Side Letter Agreements with their Shareholders without providing prior notice to, or receiving consent from, the Shareholders of such Portfolio. The terms of such Classes, series, sub-series or Side Letter Agreements will be determined by the Board of Directors and AIUS in their sole discretion, on behalf of the relevant Portfolio. (See "Other Activities of Management; Potential Conflicts of Interest — Side Letter Agreements".)

The Shares (other than the Management Shares) are issued in series in registered, book-entry form at a purchase price of \$1,000 per Share, subject to the minimum subscription amount, except in the context of a roll-up, as described below. A new series of Shares of a Portfolio generally will be issued on each Subscription Date. Separate sub-series of Shares may be issued on each date that Shares are purchased for the purpose of allocating profits and, to the extent relevant, losses attributable to "new issues" or any other

income or expense attributable to a particular Shareholder.

The Fund has an authorized share capital of US\$50,000 divided into 1,000 management shares of US\$1.00 par value each (the "Management Shares") and 49,000,000 Shares of US\$0.001 par value each.

MaplesFS Limited (the "Share Trustee"), a company incorporated in the Cayman Islands licensed to carry on trust business, holds all of the Management Shares, as trustee, pursuant to the Declaration of Trust under Cayman Islands law to benefit certain qualified charities. The Management Shares carry voting rights, each Management Share conferring upon the holder thereof the right to receive notice of, and to attend and vote at, general meetings of the Fund. The Management Shares do not participate in the profits of the Fund.

AIUS has entered into a fee agreement with the Share Trustee to formalize the agreement between AIUS and the Share Trustee with respect to the Share Trustee's remuneration for the provision of trustee services.

The Share Trustee is an affiliate of Maples and Calder, the Fund's Cayman Islands legal counsel.

## INITIAL AND ADDITIONAL SUBSCRIPTIONS:

All subscriptions for Shares are irrevocable. The Board of Directors, in its sole discretion, may accept subscriptions of lesser amounts or establish different minimums or reject any subscription, in whole or in part, for any reason or no reason; *provided* that at no time will a minimum initial subscription of less than \$100,000, or such other minimum amount as specified under Cayman Islands law from time to time, be accepted. Subscriptions on any given Subscription Date will generally be for a separate series (and, if applicable, sub-series) of Shares for purposes of determining any lock-up period (in each case, as applicable) with respect to such subscription.

If the Shares of a Portfolio are issued in series, at the end of each Fiscal Year, certain issued and outstanding series of Shares of a Class of a Portfolio, other than the first series of Shares of that Class offered by such Portfolio (the "Roll-Up Series"), may be converted by way of redemption and reissue into Shares of the Roll-Up Series of the Portfolio (following the payment of the AIUS Fee) (such redemption and reissue of Shares being referred to as a "Series Roll-Up") at their respective net asset value per Share; *provided, however*, that no Series Roll-Up will occur with respect to a series of Shares of a Portfolio if, at the end of a Fiscal Year,

either such series of Shares or the Roll-Up Series is below its prior high net asset value, if any (as may be described in the applicable Supplement). After the occurrence of a Series Roll-Up, Shares of the relevant Portfolio issued on the first day of the Fiscal Year following such Series Roll-Up will be offered as additional Shares of such Portfolio's Roll-Up Series at a purchase price per Share equal to the net asset value per Share of the Roll-Up Series as of the last day of the prior Fiscal Year.

Where a subscription for Shares is accepted, the Shares will be treated as having been issued with effect from the relevant Subscription Date notwithstanding that the subscriber for those Shares may not be entered in the relevant Portfolio's register of members until after the relevant Subscription Date. The subscription monies paid by a subscriber for Shares will accordingly be subject to investment risk in the relevant Portfolio from the relevant Subscription Date.

#### AIUS FEE:

Each Portfolio or Investment SPV, as applicable, will pay to AIUS a fee for its services (the "AIUS Fee"), which will be disclosed in the Supplement of the relevant Portfolio.

In the sole discretion of AIUS, the AIUS Fee may be waived, reduced or calculated differently with respect to the series of Shares of any Shareholder of the corresponding Portfolio, including, without limitation, a client managed by AIUS or its affiliates.

#### EXPENSES:

##### Expenses of the Fund

AIUS will bear all of the initial organizational and offering expenses of the Fund, the Portfolios and the Investment SPVs that are attributable to any one Portfolio and are incurred prior to the date of the admission of the first investor of each Portfolio (which first investor may be an affiliate of AIUS).

Other than such initial organizational and offering expenses borne by AIUS prior to the commencement of the operation of each Portfolio and any expenses that the Board of Directors determines should be allocated to a particular Shareholder or Shareholders as described herein (e.g., Investor-Related Taxes), each Portfolio will bear its own expenses, its *pro rata* portion of the expenses of the Fund and the expenses of any corresponding Investment SPV (*provided* that the Portfolio will only bear its *pro rata* share of such Investment SPV expenses if the Investment SPV has more than one investor), including, without limitation, the AIUS Fee; investment expenses, whether or not such investments are consummated (such



as brokerage commissions, expenses relating to short sales, clearing and settlement charges, custodial fees, bank service fees and interest expenses); investment-related travel expenses (which are travel expenses related to the purchase or sale of, or due diligence regarding, the investments of the Portfolio or the relevant Investment SPV, as applicable, whether or not such investments are consummated); third-party professional fees (including, without limitation, expenses of consultants, investment bankers, attorneys, accountants, and other experts) relating to investments; fees and expenses relating to software tools, programs or other technology utilized in managing the Fund and any Investment SPVs (including, without limitation, third-party software licensing, implementation, data management and recovery services and custom development costs); research and market data; administrative expenses (including, without limitation, fees and expenses of the Administrator); external legal expenses; external accounting and valuation expenses (including, without limitation, the cost of accounting software packages); audit and tax preparation expenses; costs of printing and mailing reports and notices; taxes; corporate licensing; regulatory expenses (including expenses related to preparing and making regulatory and compliance filings associated with the Fund and its investment activities, such as filing fees and costs of software and systems relating to such filings); organizational expenses not borne by AIUS; the fees of the Fund's and any Investment SPV's directors and officers; expenses related to the organization and conduct of directors' and shareholders' meetings; expenses incurred in connection with the offering and sale of the Shares and other similar expenses related to the Portfolio; indemnification expenses; and extraordinary expenses.

Each Portfolio will also bear its share of the expenses (which may include management fees) of any entity or account managed by a Manager into which such Portfolio invests, as well as any performance-based compensation made or allocated to the Manager or its affiliates. A particular Manager (or its affiliate) may receive incentive compensation in respect of the fund or account into which a Portfolio is invested during a period when the Portfolio's overall capital depreciated.

Portfolio expenses, other than the AIUS Fee, and any expenses that the Board of Directors determines should be allocated to a particular Shareholder or Shareholders of such Portfolio (*e.g.*, Investor-Related Taxes), will be charged against the Shares of all the Shareholders of such Portfolio on a *pro rata* basis.

"Investor-Related Taxes" means any tax withheld from the Fund, a

Portfolio or an Investment SPV or paid over by the Fund, a Portfolio or an Investment SPV, in each case, with respect to or on behalf of a direct or indirect shareholder or partner, and interest, penalties and/or any additional amounts with respect thereto, including, without limitation, (i) a tax that is determined based on the status, action or inaction (including the failure of a direct or indirect shareholder or partner to provide information to eliminate or reduce withholding or other taxes) of a direct or indirect shareholder or partner, or (ii) with respect to an Investment SPV that is treated as a partnership for U.S. tax purposes, an "imputed underpayment" within the meaning of Section 6225 of the U.S. Internal Revenue Code of 1986, as amended (the "Internal Revenue Code"), and any other similar tax, attributable to a direct or indirect shareholder or partner, as determined by the directors of the Investment SPV.

The Portfolios do not have a pre-determined limit on their ordinary or extraordinary operating expenses. A Portfolio's actual annual operating expenses are disclosed in such Portfolio's year-end audited financial statements, which are provided to each Shareholder of the Portfolio.

#### Amortization of Organizational and Offering Expenses

To the extent not borne by AIUS prior to the date of the admission of the first investor of each Portfolio, certain of a Portfolio's initial organizational and offering expenses may, for accounting purposes, be amortized by the Portfolio for up to a 60-month period. Amortization of such expenses over a period that is up to 60 months is a divergence from U.S. generally accepted accounting principles ("GAAP"), which may, in certain circumstances, result in a qualification of the Portfolio's annual audited financial statements. If the Portfolio amortizes its expenses but terminates before such expenses are fully amortized, the unamortized portion of the initial organizational and offering expenses will be debited against the Portfolio's assets at that time. If a Shareholder redeems all or any portion of its Shares from the Portfolio prior to the end of the 60-month period during which the Portfolio is amortizing expenses, the Board of Directors may, but is not required to, accelerate a proportionate share of the unamortized expenses based upon the amount being redeemed and reduce redemption proceeds by the amount of such accelerated expenses.

INVESTMENT SPV  
SHARES:

In cases where a Portfolio invests through an Investment SPV, such Investment SPV will issue to the corresponding Portfolio shares in classes, series and sub-series that correspond to the classes, series and sub-series of the Shares of such Portfolio (the "Investment

SPV Shares").

Unless otherwise specifically stated herein, subscriptions, redemptions, calculation of net asset value and other corporate mechanics taking place at the Investment SPV level will generally be effected in a manner which corresponds to those taking place at the Fund level (as more specifically set out in this Memorandum and the Articles of Association), save that certain requests and notices (including, for example, subscription and redemption requests) may be deemed automatically submitted, served or withdrawn by the Fund or the Investment SPV, as applicable, in order to give effect to the intended operation of the master-feeder structure and provided further that, save as set out herein, any fees or expenses charged at the Fund level will not also be charged at the Investment SPV level.

NET ASSET VALUE: General

The net asset value of a Class, series or sub-series of Shares of a Portfolio will be equal to the excess of the value of the assets of such Portfolio over the value of the liabilities attributable to such Class, series or sub-series of the Portfolio, as the case may be, as of any date of determination. If a Portfolio invests all of its investable assets in an Investment SPV, appreciation and depreciation of such Portfolio's net asset value will be affected by the appreciation and depreciation of the corresponding Investment SPV's net assets. The net asset value per Share of a series or sub-series of a Portfolio is determined by dividing the net asset value of each series or sub-series by the number of Shares thereof. The net asset value of a Portfolio, a Class, series or sub-series of Shares will generally be determined upon the date of determination of the AIUS Fee, and redemptions and at such other times as determined by the Board of Directors.

The net asset value per Share of different series and sub-series of Shares is expected to differ. However, Shares within a series or sub-series will have the same net asset value per Share. The AIUS Fee, is determined with respect to a particular series or sub-series will be charged against such series or sub-series. The net asset value per Share of the various series or sub-series of Shares of a Portfolio may differ, in part, because of differences in timing of issuance, because the particular sub-series of Shares does not share in profits and losses attributable to any investment in "new issues", for example, or because any other item of income or expense attributable to a particular series or sub-series is charged only against such series or sub-series (*e.g.*, currency-related conversion

and hedging profits, losses and expenses).

Liabilities will be determined using GAAP, applied on a consistent basis; *provided, however*, that the Board of Directors, in its sole discretion, may establish reserves and holdbacks for estimated accrued expenses, liabilities or contingencies, including, without limitation, general reserves and holdbacks for unspecified contingencies (even if such reserves or holdbacks are not required by GAAP).

### Restricted and Limited Participation

In the event that AIUS determines that, based upon tax or regulatory considerations, or for any other reasons as to which AIUS and any Shareholder agree, such Shareholder should not participate (or should be limited in its participation) in the net capital appreciation and net capital depreciation, if any, attributable to any asset, type of asset or any other transaction of the Portfolio or the corresponding Investment SPV (as applicable), AIUS may allocate such net capital appreciation or net capital depreciation only to the Shares of the corresponding Portfolio to which such considerations or reasons do not apply (or may allocate to the Shareholder to which such considerations or reasons apply, the portion of such net capital appreciation or net capital depreciation attributable to such Shareholder's limited participation in such asset, type of asset or other transaction). If any of the considerations or reasons described above apply, then a separate memorandum account may be established in which only the Shareholders having an interest in such asset, type of asset or transaction have an interest and the net capital appreciation and net capital depreciation for each such memorandum account will be separately calculated.

### REDEMPTIONS:

#### Voluntary Redemptions

Each Shareholder will have the right to redeem all or a portion of its Shares as of such date (each, a "Redemption Date") and upon such terms as set forth in the relevant Portfolio's Supplement(s).

A redemption notice will be irrevocable unless the Board of Directors, in its sole discretion, permits the redemption notice to be revoked.

#### Suspension

The Board of Directors may suspend the determination of the net asset value of one or more Portfolio(s) and the net asset value of each Shareholder's Shares in such Portfolio(s), redemption rights,

in whole or in part, and/or the payment of redemption proceeds in respect of voluntary redemptions:

- (i) during any period when any stock exchange or over-the-counter market on which the investments of the Portfolio or the relevant Investment SPV, as applicable, are quoted, traded or dealt in is closed, other than for ordinary holidays and weekends, or during periods in which dealings are restricted or suspended;
- (ii) during the existence of any state of affairs as a result of which, in the opinion of AIUS in consultation with the Board of Directors, disposal of the Portfolio's assets, or the determination of the net asset value per Share, is not reasonably practicable or is reasonably expected to be prejudicial to the non-redeeming Shareholders of the Portfolio or to the Portfolio as a whole;
- (iii) during the existence of any state of affairs as a result of which disposal of a portion of the Portfolio's assets deemed significant by AIUS in consultation with the Board of Directors is restricted under applicable U.S. or non-U.S. securities laws or regulations;
- (iv) during any breakdown in the means of communication normally employed in determining the price or value of the Portfolio's assets or liabilities, or of current prices in any financial market as aforesaid, or when for any other reason the prices or values of any assets or liabilities of the Portfolio cannot reasonably be promptly and accurately ascertained;
- (v) during any period when redemptions would cause a breach or default under any covenant in any agreement entered into by the Portfolio, including, without limitation, an agreement for borrowing or other financing agreement;
- (vi) during any period when the transfer of funds involved in the realization or acquisition of any investments cannot, in the opinion of AIUS in consultation with the Board of Directors, be effected at normal rates of exchange;
- (vii) during the period in which the Portfolio is winding down its business; or
- (viii) in cases where a Portfolio invests through an Investment SPV, during any period when any of the above circumstances applies to the corresponding Investment

SPV or when such Investment SPV suspends the determination of its net asset value, redemption rights, in whole or in part, or the payment of redemption proceeds under circumstances that are analogous to any of the above.

An Investment SPV Board of Directors may suspend the determination of the net asset values of the Investment SPV and the net asset value of each Investment SPV shareholder's shares, redemption rights, in whole or in part, and/or the payment of redemption proceeds in respect of voluntary redemptions in circumstances and on terms similar to those listed above.

The Board of Directors will provide written notice to each affected Shareholder of a Portfolio of a suspension of the calculation of net asset value of such Portfolio or any series or subseries of Shares of such Portfolio, redemption rights and/or payment of redemption proceeds. Upon the determination by the Board of Directors that the condition giving rise to a suspension has ceased to exist and no other condition under which suspension is authorized exists, such suspension will be lifted and written notice will be sent to the affected Shareholders regarding the lifting of such suspension and the next date as of which Shareholders will be permitted to redeem all or a portion of their Shares.

Upon a suspension of redemption rights, all pending redemption requests will be automatically revoked, and no requests subsequently received will be accepted until such time as the Board of Directors permits Shareholders to submit redemption requests in anticipation of lifting the suspension.

Additional grounds for suspension may be set out in the Supplement(s).

### Soft Wind-Down

If AIUS decides that the investment program of a Portfolio or an Investment SPV is no longer viable, AIUS may manage such Portfolio or such Investment SPV with the objective of realizing assets in an orderly manner and distributing the proceeds to Shareholders of such Portfolio or the corresponding Portfolio with respect to such Investment SPV, in such manner as the Board of Directors determines to be in the best interests of the Portfolio or Investment SPV (as applicable), in accordance with the terms of the Articles of Association and this Memorandum, including, without limitation, by compulsorily redeeming Shares, paying any dividend proceeds in specie and/or declaring a suspension while assets are realized. This process is integral to the business of each

Portfolio and may be carried out without recourse to a formal liquidation under the Companies Law or any other applicable bankruptcy or insolvency regime.

## Mandatory Redemptions

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

The Board of Directors may, in its sole discretion, modify or waive any or all of the redemption terms with respect to any Shareholder, Class, series or sub-series.

## Effect of Redemptions

Where a redemption request is accepted, the Shares will be treated as having been redeemed with effect from the relevant Redemption Date irrespective of whether or not such redeeming Shareholder has been removed from the Fund's register of members or the redemption price has been determined or remitted. Accordingly, on and from the relevant Redemption Date, Shareholders in their capacity as such will not be entitled to or be capable of exercising any rights arising under the Articles of Association with respect to Shares being redeemed (including any right to receive notice of, attend or vote at any meeting of the Fund) save the right to receive the redemption price and any dividend which has been declared prior to the relevant Redemption Date but not yet paid (in each case with respect to the Shares being redeemed). Such redeemed Shareholders will be creditors of the Fund with respect to the redemption price. In an insolvent liquidation, redeemed Shareholders will rank behind ordinary creditors but ahead of Shareholders.

## LIMITATIONS ON TRANSFERABILITY:

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

foregoing, to the fullest extent permitted by applicable law, will be void.

**FISCAL YEAR:** The fiscal year of each of the Fund, the Portfolios and the Investment SPVs (if any) (the "Fiscal Year") will end on December 31 of each year.

**TAXATION:** Based on each Portfolio's and each Investment SPV's organizational structure, anticipated methods of operation and features as described herein, each Portfolio and each Investment SPV generally do not expect to be subject to U.S. federal income tax on gains from trading in securities and commodities. In addition, interest from U.S. sources earned on bank deposits and "portfolio interest" as defined under the Internal Revenue Code, are not subject to withholding for U.S. federal income tax. However, certain other income, including dividend income, certain "dividend equivalent payments" and certain other interest from U.S. sources, is subject to 30% withholding.

The Fund is (and each Investment SPV is expected to be) an exempted company under Cayman Islands law. The Fund and each Investment SPV have received or will apply for and can expect to receive undertakings as to tax concessions pursuant to Section 6 of the Tax Concessions Law (Revised) which provide that, for a period of 20 years from the date of issue of the undertaking, no law thereafter enacted in the Cayman Islands imposing any taxes or duty to be levied on income or capital assets, gains or appreciation will apply to any income or property of the Fund or the Investment SPV.

There can be no assurance that the U.S. or Cayman Islands tax laws will not be changed adversely with respect to the Fund, a Portfolio, or an Investment SPV or any of their shareholders, or that the Fund's, a Portfolio's or an Investment SPV's income tax status will not be successfully challenged by such authorities.

Potential shareholders should consult their own advisors regarding tax treatment by the jurisdiction applicable to them. Shareholders should rely only upon advice received from their own tax advisors based upon their own individual circumstances and the laws applicable to them. (See "Tax Aspects".)

**ERISA:** Entities subject to the U.S. Employee Retirement Income Security Act of 1974, as amended ("ERISA"), may purchase Shares. Investment in Shares by entities subject to ERISA requires special consideration. Trustees or administrators of such entities are urged to carefully review the matters discussed in this Memorandum. It is anticipated that the assets of one or more Portfolios may, from



time to time, be treated as "plan assets" (as defined in Section 3(42) of ERISA and any regulations promulgated thereunder). During all periods when the assets of a particular Portfolio are treated as plan assets, AIUS will manage the assets of such Portfolio in conformity with its responsibilities under ERISA. (See "ERISA Considerations".)

**SUITABILITY  
REQUIREMENTS:**

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

**REPORTS:**

Within such time as set out in the relevant Portfolio's Supplement, each Portfolio will prepare and mail or otherwise make available to its Shareholders audited financial statements of the Portfolio.

**SUBSCRIPTION FOR  
SHARES:**

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

**PLACEMENT AGENT:**

Aon Securities LLC, an affiliate of AIUS (the "Placement Agent"), serves as placement agent with respect to the Shares. The Placement Agent will not receive any compensation in connection with offers or sales of the Shares. However, the Fund, on behalf of a Portfolio, may retain other non-affiliated placement agents with respect to the Shares that will receive compensation, as set out in the relevant Supplement.

## MANAGEMENT

### AIUS

As discussed above, AIUS will serve as either the investment manager or the sponsor of the Fund, the Portfolios and the Investment SPVs (if any). AIUS is a wholly owned indirect subsidiary of Aon plc, a company organized under the laws of England and Wales. As of December 31, 2019, total assets under discretionary advisement by AIUS were approximately \$132 billion.

### Regulatory Status of AIUS

#### **Advisers Act Regulation**

AIUS is currently registered with the SEC as an investment adviser under the U.S. Investment Advisers Act of 1940, as amended (the "Advisers Act"). Additional information about AIUS is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Registration with the SEC or with any state securities authority does not imply a certain level of skill or training.

#### **CFTC Regulation**

AIUS is a member of the National Futures Association (the "NFA") and is registered with the CFTC as a commodity pool operator. AIUS, with respect to the Fund, has claimed an exemption from certain of the CFTC's disclosure, reporting and record-keeping requirements pursuant to Rule 4.7 under the Commodity Exchange Act, as amended.

### Biographies of Principals of AIUS

#### **Steven Voss**

Steve is the Head of North America Aon Investments USA Inc., one of the largest providers of investment consulting services to institutional investors. He leads over 300 investment consulting professionals with over 480 clients representing aggregate assets in excess of \$2 trillion. Steve is ultimately responsible for the success of the North America investment consulting practice.

Steve chairs the AIUS investment executive committee with day to day oversight on the firm's policies and procedures. He leads our national client service practice with management of the firm's client-facing consulting teams. Steve's client base includes public pension funds and, endowed entities with aggregate assets in excess of \$200 billion. Much of Steve's client activities relate to helping boards set asset allocation and investment program structure given their asset-liability and/or spending and financial circumstances. He assists clients with policy creation and documentation with a focus on contemporary and best practices based on AIUS's wide prevue of institutional investors.

Prior to joining AIUS in 1994, Steve worked at Ernst & Young as an auditor covering financial services firms and not-for-profit organizations. He also worked at Wurts & Associates for a brief period. Steve holds a B.A. degree in accounting from Seattle University.

## **Christopher Walvoord**

Chris leads Aon's Global Liquid Alternatives Team within Global Investment Management. He oversees research and investment activities across a variety of liquid alternative strategies including hedge funds, currencies, CTAs, and opportunistic strategies. His group is responsible for researching, recommending and monitoring funds for advisory clients and the team manages the delegated alternatives portfolios.

Prior to joining Aon in 2016, Chris was a portfolio manager and a member of the investment committee at William Blair. Chris was the lead portfolio manager for the custom hedge fund business at William Blair which managed client specific portfolios for large institutional clients. He was also the lead portfolio manager on the group's registered fund of hedge funds. Chris worked extensively with William Blair's distribution team to help clients understand the role of hedge funds within their investment portfolios.

William Blair entered the fund of hedge funds business by acquiring Guidance Capital, a fund of hedge funds firm founded in 2001, where Chris was one of five equity partners. As a member of the investment committee at Guidance Capital he was involved in both hedge fund research and portfolio construction. He also developed the portfolio risk management system that was used at both Guidance Capital and William Blair.

Prior to joining Guidance Capital, Chris managed an unconstrained bond strategy at the Northern Trust. The mandates for these funds allowed investments in a wide range of fixed income instruments including corporate and asset backed bonds, swaps, options, futures, and other interest rate and credit derivatives. Chris began his investment career in the Capital Markets Strategies Group at Nuveen where he assisted investment banking clients with their derivative transactions. Prior to Nuveen, Chris worked as an automotive engineer in Motorola's Automotive Electronics Group and in Ford's Advanced Vehicle Engineering Group.

Chris earned an M.B.A. degree in finance from The University of Chicago Booth School of Business, an M.S in Mechanical Engineering from the University of California Berkeley and a B.S. in Mechanical Engineering from the University of Illinois.

## AIUS Agreements

The Board of Directors, acting on behalf of each Portfolio and any Investment SPV, appointed AIUS pursuant to an agreement with each such Portfolio and a separate agreement with any corresponding Investment SPV (each, an "AIUS Agreement"), subject to the control of and review by the Board of Directors, *inter alia*, to act as the investment manager of the relevant Portfolio and its corresponding Investment SPV(s) (if any) and manage the assets of such Portfolio and its corresponding Investment SPV(s) (if any).

Each AIUS Agreement will remain in effect until December 31 of the year in which it is established, and will automatically renew from year to year thereafter, except that each such AIUS Agreement may generally be terminated by any party upon at least 60 days' prior written notice by the terminating party to the other party.

Each AIUS Agreement will generally be governed by the laws of New York, to the extent not preempted by ERISA.

## Monitoring and Risk Management Process

The monitoring and risk management process observed by AIUS in the management of the Portfolio (and Investment SPV(s) (if any)) is outlined in the relevant Supplement of such Portfolio.

## Exculpation

Each AIUS Agreement provides that none of AIUS or any of its affiliates or the members, partners, directors, shareholders, officers, employees and legal representatives (e.g., executors, guardians and trustees) of any of them, including persons formerly serving in such capacities (each, an "Indemnified Party") will be liable to any Shareholder or Portfolio for any costs, losses, claims, damages, liabilities, expenses (including, without limitation, reasonable legal and other professional fees and disbursements), judgments, fines or settlements (collectively, "Indemnified Losses") arising out of, related to or in connection with any act or omission of such Indemnified Party taken, or omitted to be taken, in connection with the Portfolio or the AIUS Agreement with such Portfolio, except for any Indemnified Losses arising out of, related to or in connection with any act or omission that is found by a court of competent jurisdiction upon entry of a final judgment rendered and not appealable or not timely appealed ("Judicially Determined") to be primarily attributable to the bad faith, gross negligence, willful misconduct, actual fraud of such Indemnified Party or breach by such Indemnified Party of fiduciary responsibilities under ERISA, if applicable. In addition, no Indemnified Party will be liable to any Shareholder or the Portfolio for any Indemnified Losses arising out of, related to or in connection with any act or omission taken, or omitted to be taken, by any broker or agent of the Portfolio if such broker or agent was selected, engaged or retained by such Indemnified Party directly or on behalf of the Portfolio in accordance with the standard of care set forth above. Any Indemnified Party may consult with counsel, accountants, investment bankers, financial advisers, appraisers and other specialized, reputable, professional consultants in respect of affairs of the Portfolio and be fully protected and justified in any action or inaction that is taken in accordance with the advice or opinion of such persons; *provided* that such persons will have been selected in accordance with the standard of care set forth above.

## Indemnification

Each AIUS Agreement provides that, to the fullest extent permitted by applicable law, the applicable Portfolio will indemnify and hold harmless each Indemnified Party from and against any and all Indemnified Losses suffered or sustained by such Indemnified Party by reason of any act, omission or alleged act or omission arising out of, related to or in connection with such Portfolio or the AIUS Agreement with such Portfolio, or any and all claims, demands, actions, suits or proceedings (whether civil, criminal, administrative or investigative, including formal and informal inquiries and "sweep" examinations in connection with the Portfolio's investment activity), actual or threatened ("Proceedings"), in which an Indemnified Party may be involved, as a party or otherwise, arising out of, related to or in connection with such Indemnified Party's service to or on behalf of, or management of the affairs or (as applicable)

assets of, the Portfolio, or which relate to the Portfolio, except for any Indemnified Losses that are Judicially Determined to be primarily attributable to the bad faith, gross negligence, willful misconduct, actual fraud of such Indemnified Party or breach by such Indemnified Party of fiduciary responsibilities under ERISA, if applicable. The Portfolio will also indemnify and hold harmless each Indemnified Party from and against any and all Indemnified Losses suffered or sustained by such Indemnified Party by reason of any acts, omissions or alleged acts or omissions of any broker or agent of the Portfolio; *provided* that such broker or agent was selected, engaged or retained by such Indemnified Party directly or on behalf of the Portfolio in accordance with the standard of care set forth above. The termination of a Proceeding by settlement or upon a plea of *nolo contendere*, or its equivalent, will not, of itself, create a presumption that such Indemnified Party's acts, omissions or alleged acts or omissions were primarily attributable to the bad faith, gross negligence, willful misconduct, actual fraud of such Indemnified Party or breach by such Indemnified Party of fiduciary responsibilities under ERISA, if applicable. Expenses (including, without limitation, legal and other professional fees and disbursements) incurred in any Proceeding will be paid by the Portfolio in advance of the final disposition of such Proceeding upon receipt of an undertaking by or on behalf of such Indemnified Party to repay such amount if it will ultimately be determined that such Indemnified Party is not entitled to be indemnified by the Portfolio.

Notwithstanding any of the foregoing to the contrary, the provisions of each AIUS Agreement will not be construed so as to provide for the exculpation or indemnification of any Indemnified Party for any liability (including, without limitation, liability under U.S. federal securities laws and ERISA (if applicable), which, under certain circumstances, impose liability even on persons that act in good faith), to the extent (but only to the extent) that such liability may not be waived, modified or limited under applicable law, but will be construed so as to effectuate such provisions to the fullest extent permitted by applicable law.

## The Board of Directors

As discussed above, the Fund is managed by the Board of Directors. The Directors also serve as the members of the Investment SPV Board of Directors, if any. The Directors and their business experience are as follows:

### **Steven Voss**

See "Management — Personnel of AIUS" above for a description of Steven Voss's business experience.

### **Benoit Sansoucy**

Benoit Sansoucy (Ben) serves as an independent director on a wide range of alternative investment funds including hedge funds, fund of funds, segregated portfolio companies, private equity vehicles and related structures. Ben has over 15 years' experience in the alternative investment industry, ten of which were dedicated to operational due diligence and fund governance. Prior to joining the Maples Group, Ben was responsible for the development, implementation and execution of the University of Toronto Asset Management's (UTAM) operational due diligence programme in its oversight of all external investment managers and

service providers. Previously, Ben was a Senior Manager of Operational Due Diligence at Ontario Teachers' Pension Plan (OTPP) from 2012 until 2016, where he identified and mitigated operational risks related to OTPP's global external manager investment programme, consulting on operational best practices for start-up managers seeking to secure institutional capital. Prior to this, he was a Senior Manager at the Canada Pension Plan Investment Board (CPPIB) from 2007 until 2011, performing multiple operational roles including investment related compliance functions, fund level management reporting, public equity accounting and the establishment of an operational due diligence function for the external manager investment programme. Ben also worked with Fortis Prime Fund Solutions in the Cayman Islands, in fund administration and had responsibility for the internal control function of the business. Ben holds a Bachelor of Business Administration degree from Mount Saint Vincent University and the Accredited Director designation from the Institute of Chartered Secretaries and Administrators Canada. He is a Chartered Professional Accountant, Chartered Accountant and a member of the Chartered Professional Accountants of Ontario and the Cayman Islands Directors Association.

## **Letitia Solomon**

Letitia Solomon serves as an independent director for a wide range of alternative investment funds including hedge funds, fund of funds, segregated portfolio companies, private equity vehicles and related structures. She has over 25 years of experience in the financial services industry, including over a decade in providing fund governance services. Prior to joining the Maples Group, Letitia worked at Deloitte & Touche in the Cayman Islands as a Senior Manager from 2005 until 2007, where she was responsible for the management and supervision of a team providing consulting services to private and public sector entities. From 1996 to 2005, Letitia worked in the Ministry of Finance of the Cayman Islands Government as an Assistant Financial Secretary, responsible for the development of regulatory policy and guidelines for the financial services industry. Her primary duties also included acting as a government liaison to industry stakeholders considering regulatory issues impacting the industry, including changes to legislation, regulations, anti-money laundering policies, procedures and guidance notes and providing general administration and oversight of the affairs and business of the Cayman Islands Monetary Authority ("CIMA"). Letitia began her career in 1987 with CIMA where she spent nine years providing supervision, oversight and regulation of a diverse portfolio of financial services entities operating in and from the Cayman Islands. She also served as a member of CIMA's board of directors. Letitia graduated from the University of South Florida with a Bachelor of Science degree in Finance and holds a Master of Business Administration degree from Edinburgh University. Letitia also holds the Accredited Director designation from the Chartered Governance Institute of Canada and is a member of the Executive Committee of the Cayman Islands Directors Association.

The services of Benoit Sansoucy and Letitia Solomon are being provided by Maples Fiduciary Services (Cayman) Limited ("MaplesFS"), a regulated entity in the Cayman Islands. MaplesFS is an affiliate of Maples and Calder, Cayman Islands legal counsel to the Fund and any Investment SPV.

MaplesFS has entered into a Director Services Agreement with the Fund, which sets out the terms on which it will provide the services of Benoit Sansoucy and Letitia Solomon. MaplesFS will also enter into such a Director Services Agreement with each Investment SPV.

MaplesFS will be entitled to remuneration from the Fund and the Investment SPVs (if any) at its customary rates and for reimbursement of its out-of-pocket expenses, including all traveling, hotel and other expenses properly incurred by the Directors supplied by MaplesFS in attending meetings of the Directors or any Shareholders' meeting held in connection with the business of the Fund and the Investment SPVs (if any).

The Directors provided by MaplesFS are non-executive Directors of the Fund and will be the non-executive Directors of the Investment SPVs (if any) and are not required to devote their full time and attention to the business of the Fund or the Investment SPVs. They may be engaged in any other business and/or be concerned or interested in or act as directors or officers of any other company or entity. Neither MaplesFS nor any of the Directors supplied by MaplesFS are responsible for (i) the commercial structuring of the Fund, its Portfolios, the Investment SPVs or their respective investment strategies, (ii) the purchase or sale of any

investment on behalf of a Portfolio or an Investment SPV (which is the responsibility solely of AIUS), (iii) the valuation of the assets of the Portfolios and the Investment SPVs, or (iv) any loss or damage caused by the acts or omissions of AIUS, the Administrator, any clearing firms, trading counterparties or other service providers to the Portfolios or the Investment SPVs or any of their delegates or sub-delegates, unless any such loss or damage is actually occasioned by the actual fraud, willful default or Gross Negligence (as defined in the Director Services Agreement) of the Directors supplied by MaplesFS.

The Articles provide that every Director will be indemnified out of the assets of the Fund or the Investment SPV, as applicable, against any liability incurred as a result of any act or failure to act in carrying out his or her functions other than such liability (if any) that may be incurred by reason of the actual fraud, willful default or Gross Negligence of such Director or officer.

The Articles also provide that no such Director or officer will be liable to the Fund, a Portfolio or an Investment SPV (if any) for any loss or damage in carrying out his or her functions unless that liability arises through the actual fraud, willful default or Gross Negligence of such Director or officer.

Each Director Services Agreement provides that none of MaplesFS or any of the Directors provided by the Maples Group will be liable to the Fund, a Portfolio or an Investment SPV (if any) under or in connection with the Director Services Agreement in an amount of more than US\$5,000,000, except in circumstances where such liability was caused by the actual fraud of MaplesFS or, as the case may be, any of the Directors provided by the Maples Group.

The Directors may appoint alternates who may attend Board meetings in their absence. The Board of Directors may delegate ordinary course decisions to AIUS (*e.g.*, lowering the minimum subscription amount (subject to the absolute minimum set out herein), allowing subscriptions other than on the first day of each month, allowing revocation of any redemption request, waiving the notice requirement for a redemption, permitting transfers of Shares and rejecting subscriptions).

Mail addressed to the Fund and received at its registered office will be forwarded unopened to the forwarding address supplied by the Fund to be dealt with. None of the Fund, its directors, officers, advisers or service providers (including the organization which provides registered office services in the Cayman Islands) will bear any responsibility for any delay howsoever caused in mail reaching the forwarding address. In particular, the Directors will only receive, open or deal directly with mail which is addressed to them personally (as opposed to mail which is addressed just to the Fund, a Portfolio or an Investment SPV).

## **CERTAIN RISK FACTORS**

*Prospective Shareholders should carefully consider the risks involved in an investment in a Portfolio of the Fund, including, without limitation, those discussed below and in the relevant Supplement. Additional or new risks not addressed below may affect the Fund and/or a Portfolio. The following list of risk factors cannot be and is not intended to be exhaustive. Prospective Shareholders should consult their own legal, tax and financial advisers*



*about the risks of an investment in a Portfolio of the Fund. The following risk factors and other relevant risks could have a material adverse effect on the Fund, a Portfolio and/or the Shareholders' investments therein. References to a "Portfolio" will, as applicable, include any Investment SPV through which such Portfolio makes its investments. To the extent that a Portfolio pursues its investment objective by investing indirectly in securities and other assets through funds or accounts of the Managers, unless the context indicates otherwise, the risks discussed in this section that relate to AIUS should be understood to relate to AIUS and the Managers, and the risks discussed in this section that relate to the Portfolios of the Fund and its investments should be understood to relate to such Portfolios and underlying funds and accounts of the Managers and their respective investments.*

**Legal and Regulatory Environment for Private Investment Funds and their Managers.** The legal, tax and regulatory environment worldwide for private investment funds (such as the Portfolios of the Fund) and their managers is evolving. Changes in the regulation of private investment funds, their managers, and their trading and investing activities may have a material adverse effect on the ability of the Portfolios to pursue their respective investment programs and the value of investments held by the Portfolios. There has been an increase in scrutiny of the private investment fund industry by governmental agencies and self-regulatory organizations. New laws and regulations or actions taken by regulators that restrict the ability of the Portfolios to pursue their respective investment program or employ brokers and other counterparties could have a material adverse effect on the corresponding Portfolios and the Shareholders' investments therein. In addition, AIUS may, in its sole discretion, cause the Fund or the Portfolios to be subject to certain laws and regulations if it believes that an investment or business activity is in a Portfolio's interest, even if such laws and regulations may have a detrimental effect on one or more Shareholders invested in the such Portfolio.

**Regulation in the Derivatives Industry.** There are many rules related to derivatives that may negatively impact the Portfolios, such as requirements related to recordkeeping, reporting, portfolio reconciliation, central clearing, minimum margin for uncleared over-the-counter ("OTC") instruments and mandatory trading on electronic facilities, and other transaction-level obligations. Parties that act as dealers in swaps, are also subject to extensive business conduct standards, additional "know your counterparty" obligations, documentation standards and capital requirements. All of these requirements add costs to the legal, operational and compliance obligations of AIUS and the Portfolios, and increase the amount of time that AIUS spends on non-investment-related activities. Requirements such as these also raise the costs of entering into derivative transactions, and these increased costs will likely be passed on to the Portfolios.

These rules are operationally and technologically burdensome for AIUS and the Portfolios. These compliance obligations require employee training and use of technology, and there are operational risks borne by the Portfolios in implementing procedures to comply with many of these additional obligations.

These regulations may also result in the Portfolios forgoing the use of certain trading counterparties (such as broker-dealers and futures commission merchants ("FCMs")), as the use of other parties may be more efficient for the Portfolios from a regulatory perspective. However, this

could limit the Portfolios' trading activities, create losses, preclude the Portfolios from engaging in certain transactions or prevent the Portfolios from trading at optimal rates and terms.

Many of these requirements were implemented under legislation intended to reform the U.S. financial regulatory system, the EU Regulation on OTC Derivatives, Central Counterparties and Trade Repositories (known as the European Market Infrastructure Regulation, or "EMIR"), and similar regulations globally. In the United States, regulatory responsibility for derivatives is divided between the SEC and the CFTC, a distinction that does not exist in any other jurisdiction. The SEC has regulatory authority over "security-based swaps" and the CFTC has regulatory authority over "swaps". EMIR is being implemented in phases through the adoption of delegated acts by the European Commission. As a result of the SEC and CFTC bifurcation and the different pace at which the SEC, the CFTC, the European Commission and other international regulators have promulgated necessary regulations, different transactions are subject to different levels of regulation. Though many rules and regulations have been finalized, there are others, particularly SEC regulations with respect to security-based swaps, that are still in the proposal stage or are expected to be introduced in the future.

**Systemic Risk.** Systemic risk is the risk of broad financial system stress or collapse triggered by the default of one or more financial institutions, which results in a series of defaults by other interdependent financial institutions. Financial intermediaries, such as clearing houses, banks, securities firms and exchanges with which the Portfolios interact, as well as the Portfolios, are all subject to systemic risk. A systemic failure could have material adverse consequences on the Portfolios and on the markets for the securities in which the Portfolios seek to invest.

**Assumption of Catastrophe Risks.** The Portfolios may be subject to the risk of loss arising from direct or indirect exposure to various catastrophic events, including the following: hurricanes, earthquakes and other natural disasters; terrorism; and public health crises, including the occurrence of a contagious disease. To the extent that any such event occurs and has a material effect on global financial markets or specific markets in which the Portfolio participates (or has a material effect on locations in which the Investment Manager operates) the risks of loss can be substantial and could have a material adverse effect on the Portfolio and the Shareholders' investments therein.

**Coronavirus Risks.** In December 2019, a novel strain of coronavirus (known as COVID-19) surfaced in Wuhan, China, which has resulted in the temporary closure of many corporate offices, retail stores, and manufacturing facilities across China and South Korea, among other affected countries. These closures have caused the disruption of manufacturing supply chains and local and global economies, the duration of which remains uncertain. As of April 2020, COVID-19 has spread across the world, which may result in additional market disruptions. The extent to which COVID-19 may negatively affect the operations of the Investment Manager and the performance of the Fund is difficult to predict. Any potential impact on such operations and performance will depend to a large extent on future developments and new information that may emerge regarding the duration and severity of COVID-19 and the actions taken by authorities and other entities to contain COVID-19 or treat its impact. These potential impacts, while uncertain, could adversely affect the performance of the Fund.

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

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

**U.S. Partnership Tax Audit Risk.** Any Investment SPV that is treated as a partnership for U.S. tax purposes may be required to file a tax return with the Service. If the tax returns of any such Investment SPV are audited by the Service, the U.S. tax treatment of such Investment SPV's income and deductions generally is determined at the Investment SPV level. For U.S. tax returns of an Investment SPV filed or required to be filed for tax years beginning prior to 2018, U.S. tax deficiencies arising from the audit, if any, are paid by the relevant Portfolio (to the extent of any income that is, or is treated as, effectively connected with a trade or business in the United States or otherwise subject to withholding or other tax in the United States) and the other members of such Investment SPV who were partners for U.S. tax purposes in the year subject to the audit.

Under the general rule imposed under recent legislation, an audit adjustment of any such Investment SPV's U.S. tax return filed or required to be filed for any tax year beginning after 2017 (a "Prior Year") could result in a tax liability (including interest and penalties) imposed on such Investment SPV for the year during which the adjustment is determined (the "Current Year"). The tax liability generally is determined by using the highest tax rates under

the Internal Revenue Code applicable to U.S. taxpayers, in which case the relevant Portfolio and any other Current Year partners of such Investment SPV would bear the audit tax liability at significantly higher rates (including interest and penalties) arising from audit adjustments and in amounts that are unrelated to their Prior Year economic interests in the Investment SPV partnership items that were adjusted. Such Investment SPV may be able to use a lower tax rate to compute the tax liability by taking into account the fact that the relevant Portfolio is generally not expected to be subject to U.S. tax on most, if not all, of its share of the Investment SPV's income. However, the details of how this rule will be implemented are not yet known, and there can be no guarantee that such Investment SPV would be able to use a lower tax rate to calculate the tax liability for any particular Prior Year under audit.

To mitigate the potential adverse consequences of the general rule, such Investment SPV may be able to elect with the Service to pass through such audit adjustments for any year to its members who participated in the Investment SPV for the Prior Year, in which case the relevant Portfolio and each Prior Year participating member (and not the Investment SPV itself) generally would be responsible for the payment of any tax deficiency, determined after including their share of the adjustments on their tax returns for the Current Year and calculated, in the case of the relevant Portfolio, using the tax rates generally applicable to non-U.S. corporations.<sup>1</sup> Such Portfolio may also be able to mitigate such adverse consequences by, after the audit adjustments are made, filing an amended U.S. tax return for the Prior Year and paying tax, if any, on its share of the items adjusted on audit. The extent to which such Investment SPV and/or Portfolio will be able to mitigate the operation of the general rule under either of these alternatives is uncertain and may depend upon future regulatory guidance and amendments to the legislation.

**Segregated Portfolio Company – Status.** The Fund is established as a segregated portfolio company under Cayman Islands law. As a matter of Cayman Islands law only, the assets of one segregated portfolio are not available to meet the liabilities of another. However, the Fund is a single legal entity which may operate or have assets held on its behalf or be subject to claims in other jurisdictions which may not necessarily recognize such segregation and, in such circumstances, there is a risk that the assets of a segregated portfolio may be applied to meet the liabilities of another segregated portfolio whose assets are exhausted. A Portfolio was previously established in the Fund and although Shares in such Portfolio are no longer being offered, a liability may have arisen in connection with such Portfolio and if such liability was not adequately segregated from the Fund's general assets and its other Portfolios, such liability may affect the Fund's general assets and/or its other Portfolios.

**Segregated Portfolio Company – Cross Liability.** Where more than one class and/or series of Shares is issued in respect of a particular segregated portfolio of the Fund, Shareholders of such classes or series of Shares may be compelled to bear the liabilities incurred in respect of the other classes or series of such segregated portfolio, which such Shareholders do not themselves own, if there are insufficient assets in respect of the other classes or series to satisfy those liabilities. Accordingly, there is a risk that liabilities of one class or series within a particular segregated portfolio may not be limited to that particular class or series and may be

---

<sup>1</sup> If such election is made by an Investment SPV, interest on any deficiency will be at a rate that is two percentage points higher than the otherwise applicable interest rate on tax underpayments.

required to be paid out of one or more other classes or series of that particular segregated portfolio.

**Cybersecurity Risk.** As part of their respective businesses, AIUS and the Managers process, store and transmit large amounts of electronic information, including information relating to the transactions of the Portfolios and personally identifiable information of the Shareholders. Similarly, other service providers of AIUS and the Portfolios, especially the Administrator, may process, store and transmit such information. AIUS and the Managers have procedures and systems in place that they believe are reasonably designed to protect such information and prevent data loss and security breaches. However, such measures cannot provide absolute security. The techniques used to obtain unauthorized access to data, disable or degrade service, or sabotage systems change frequently and may be difficult to detect for long periods of time. Hardware or software acquired from third parties may contain defects in design or manufacture or other problems that could unexpectedly compromise information security. Network connected services provided by third parties may be susceptible to compromise, leading to a breach of AIUS' network. AIUS' or the Managers' systems or facilities may be susceptible to employee error or malfeasance, government surveillance, or other security threats. On-line services provided by AIUS to the Shareholders may also be susceptible to compromise. Breach of AIUS' or the Managers' information systems may cause information relating to the transactions of the Portfolios and personally identifiable information of the Shareholders to be lost or improperly accessed, used or disclosed.

The service providers of AIUS and the Portfolios are subject to the same electronic information security threats as AIUS and Managers. If a service provider fails to adopt or adhere to adequate data security policies, or in the event of a breach of its networks, information relating to the transactions of the Portfolios and personally identifiable information of the Shareholders may be lost or improperly accessed, used or disclosed.

The loss or improper access, use or disclosure of proprietary information may cause AIUS, the Managers and the Portfolios (as applicable) to suffer, among other things, financial loss, the disruption of its business, liability to third parties, regulatory intervention or reputational damage. Any of the foregoing events could have a material adverse effect on some or all of the Portfolios and the Shareholders' investments therein.

## Risks Relating to Management

**Effectiveness of Investment Strategies.** The overall success of a Portfolio of the Fund depends upon the ability of AIUS and of the Managers to be successful in their respective investment strategy. The past performance of a particular strategy managed by AIUS or such Manager is not necessarily indicative of the future performance of the Portfolio, and no strategy can consistently determine which security to purchase or sell at a profit. No assurance can be given that the strategies used by AIUS or a Manager (as applicable) will be successful under all or any market conditions. It is not known what effect, if any, the size of the assets allocated to AIUS or a particular Manager or the increase in total funds being managed by AIUS or such Manager will have on the performance of the trading methods used by AIUS or the Manager, as applicable.

**Dependence on AIUS.** The success of a Portfolio is dependent upon the ability of AIUS to manage the Portfolio and effectively implement the Portfolio investment program. The Fund's governing documents do not permit the Shareholders to participate in the management and affairs of the Fund. If AIUS was to lose the services of the Principals or the Fund, a Portfolio or any of the Other Accounts managed by AIUS were to incur substantial losses, AIUS might not be able to provide the same level of service to the Portfolio as it has in the past or continue operations. The loss of the services provided by AIUS could have a material adverse effect on the Portfolio and the Shareholders' investments therein.

**No Control Over Managers.** Although a due diligence and monitoring process is being employed with respect to each Manager, there is no assurance that such efforts will detect fraud, malfeasance, inadequate systems or other flaws or problems with respect to a Manager's operations and activities.

**Retention and Motivation of Key Employees.** The success of a Portfolio is dependent upon the talents and efforts of highly skilled individuals employed by AIUS and AIUS or the Manager's ability to identify and willingness to provide acceptable compensation to attract, retain and motivate talented investment professionals and other employees. There can be no assurance that AIUS' or the Manager's respective investment professionals will continue to be associated with AIUS or the Manager throughout the life of the Portfolio, and the failure to attract or retain such investment professionals could have a material adverse effect on the Portfolio and the Shareholders' investments therein. Competition in the financial services industry for qualified employees is intense and there is no guarantee that, if lost, the talents of the investment professionals of AIUS or the Manager (as applicable) could be replaced.

**Investment and Due Diligence Process.** When selecting a Manager or making investments, each of the Investment Manager and a Manager will conduct due diligence that it deems reasonable and appropriate based on the facts and circumstances applicable to each investment. When conducting due diligence, each of the Investment Manager and the Manager may be required to evaluate important and complex business, financial, tax, accounting and legal issues. When conducting due diligence and making an assessment regarding a Manager or an investment (as applicable), each of the Investment Manager and the Manager will rely on the resources reasonably available to it, which in some circumstances, whether or not known to the Investment Manager or such Manager at the time, may not be sufficient, accurate, complete or reliable. Due diligence may not reveal or highlight matters that could have a material adverse effect on the value of an investment.

**Increased Regulatory Oversight.** Increased regulation (whether promulgated under securities laws or any other applicable law) and regulatory oversight of and changes in applicable law to private investment funds and their managers, may impose administrative burdens on AIUS, including, without limitation, responding to examinations and other regulatory inquiries and implementing policies and procedures. Recently, regulators in the United States and other countries have shown particular interest in funds engaging in systematic, quantitative and so-called "high-frequency" trading, which could increase the risk of administrative burdens being placed on the Investment Manager (to the extent it engages in investment activities) or a Manager to the extent such strategies are employed with respect to a Portfolio. Such administrative burdens may divert the Investment Manager or the Manager's time, attention and

resources from portfolio management activities to responding to inquiries, examinations and enforcement actions (or threats thereof). Such regulatory inquiries are generally confidential in nature, may involve a review of an individual's or a firm's activities or may involve studies of the industry or industry practices, as well as the practices of a particular institution.

**Effect of Substantial Losses or Redemptions.** If, due to extraordinary market conditions or other reasons, a Portfolio of the Fund or other private funds managed by AIUS or a Manager, were to incur substantial losses or were subject to an unusually high level of redemptions, the remaining investors may be adversely affected, including, without limitation, by any costs associated with such redemptions and/or because the revenues of AIUS or the Manager (as applicable) may decline substantially. Such losses and/or redemptions may hamper AIUS' or the Manager's ability (as applicable) to (i) retain employees, (ii) provide the same level of service as it has in the past, and (iii) continue operations.

**Increasing Assets Under Management.** The rates of return achieved by trading advisers or managers often diminish as the assets under their management increases. The Investment Manager has not agreed to limit the amount of capital it will manage; the same is expected to be true of the Managers.

**Dependence on Service Providers.** Each Portfolio is also dependent upon its counterparties and other third-party service providers described in this Memorandum and the Supplement, including the administrator, the prime broker(s) (if any), the futures commission merchants (if any), the custodian(s) (if any), Legal Counsel, the Auditors and any other service provider described herein (the "Service Providers"). Errors are inherent in the business and operations of any Service Provider, and although AIUS will adopt measures to prevent and detect errors by, and misconduct of, counterparties and Service Providers, and transact with counterparties and Service Providers it believes to be reliable, such measures may not be effective in all cases. Errors or misconduct could have a material adverse effect on the Fund, the Portfolios and the Shareholders' investments therein.

As the Fund and the Portfolios have no employees and the majority of the members of the Board of Directors have been appointed on a non-executive basis, the Fund and the Portfolios are reliant on the performance of the Service Providers. Each Shareholder's relationship in respect of its Shares is with the applicable Portfolio of the Fund only. Accordingly, absent a direct contractual relationship between the investor and the relevant Service Provider, no Shareholder will have any contractual claim against any Service Provider for any reason related to its services to the Fund and the applicable Portfolio. Instead, the proper plaintiff in an action in respect of which a wrongdoing is alleged to have been committed against the Fund or the Portfolios by the relevant Service Provider is, prima facie, the Fund or the Portfolio, as the case may be.

## Risks Relating to the Structure of the Fund

**Significant Fees and Expenses.** The fees and expenses of the Fund and each Portfolio may be significant. The fees and expenses related to the purchase of data and technology required by sophisticated quantitative processes (to the extent applicable to any Portfolio) may include recurring license fees and expenses related to the purchase of computer

hardware, communications equipment, and other technology (which are expected to be incurred more often than if the applicable Portfolios did not engage in quantitative processes). In addition, certain of the strategies employed by the Investment Manager (to the extent it engages in investment management activities) or a Manager may require more frequent trading, higher portfolio turnover, and, therefore, the possibility of higher brokerage commissions and other transaction fees and expenses. Each Portfolio must generate sufficient income to offset such fees and expenses to avoid a decrease in the net asset value of the Portfolio.

**Limited Liquidity.** An investment in a Portfolio of the Fund has limited liquidity because Shareholders will generally have only limited rights to redeem Shares from the Portfolio or transfer their Shares, and the Fund has the right to suspend redemptions, as described herein. Managers may also suspend redemptions, as may be described in the applicable Supplement. Shareholders must be prepared to bear the financial risks of an investment in a Portfolio of the Fund for an indefinite period of time.

**In-Kind Payments.** Although the Portfolios do not intend to make payments in kind, under certain circumstances (including where a Manager makes a redemption in kind to the Portfolio) a redeeming Shareholder may receive securities in lieu of, or in combination with, cash. Such distributions may include interests in one or more special purpose vehicles holding securities owned by the relevant Portfolio or participations therein. To the extent a redeeming Shareholder receives interests in special purpose vehicles, such redeeming Shareholder will continue to be at risk with respect to the Portfolio's business. The value of the securities paid in kind may increase or decrease before they are sold either by the redeeming Shareholder, if received directly, or by AIUS or its affiliates, if held through a special purpose vehicle. In either case, the redeeming Shareholder will incur transaction costs in connection with the sale of any such securities and, in the case of interests in a special purpose vehicle, will bear a proportionate share of the operating and other expenses borne by such vehicle. Securities distributed in kind may not be readily marketable. The risk of loss and delay in liquidating these securities will be borne by the Shareholder, with the result that such Shareholder may ultimately receive less cash than it would have received on the date of redemption if it had been paid in cash. Furthermore, to the extent that a redeeming Shareholder receives interests in special purpose vehicles, such redeeming Shareholder will generally have no voting rights or any control over when and at what price the securities in which such vehicles have an interest are sold.

**ERISA Plan Assets Status of the Portfolios and Investment SPVs.** The assets of a Portfolio and of any corresponding Investment SPV may, from time to time, be treated as "plan assets" (as defined under Section 3(42) of ERISA and any regulations promulgated thereunder) of those shareholders that are subject to ERISA. In such event, AIUS would be a fiduciary with respect to each such shareholder. In addition, in the event that the assets of a Portfolio and of any corresponding Investment SPV were treated as "plan assets" for purposes of ERISA, ERISA may impose certain limitations on the operation of such Portfolio and any corresponding Investment SPV. Such limitations could result in the inability of the Portfolio and any corresponding Investment SPV to participate in certain investments or conduct business with certain counterparties. Accordingly, in the event that the assets of a Portfolio and any corresponding Investment SPV are treated as "plan assets" for purposes of ERISA, ERISA could restrict the activities of such Portfolio and any corresponding Investment SPV and, as a result, such Portfolio and any corresponding Investment SPV may not be able to take advantage of



certain investment opportunities, could have a different portfolio and could have a lower rate of return than if it were not subject to ERISA.

## **VALUATION**

The Portfolios' respective assets and liabilities are valued in accordance with AIUS' valuation policies and procedures, as the same may be amended from time to time (the "Valuation Policy"). All values assigned to such assets and liabilities are final and conclusive as to all of the Shareholders.

The Administrator will calculate the net asset value of the Portfolios by using the prices reported by the applicable sources listed in the pricing matrix set forth in the Valuation Policy and, if no price is available from those sources, the valuations it receives from an independent third party designated by AIUS. The Administrator will not exercise any discretion in applying the valuations for the Portfolios and in the event that a valuation requires the exercise of discretion, the Administrator will notify AIUS so that AIUS can identify an independent third party source to provide the valuation.

The accounts of the Portfolios are maintained in U.S. dollars. Any assets and liabilities denominated in other currencies will be translated at the rates of exchange in effect at the relevant date of determination and translation adjustments will be reflected in the results of operations. Portfolio transactions and income and expenses will be translated at the rates of exchange in effect at the time of each transaction.

Notwithstanding anything to the contrary herein, the valuation policies and procedures are subject to change and may be revised from time to time. The Fund will provide notice to all Shareholders of any material changes to the Valuation Policy.

## **OTHER ACTIVITIES OF MANAGEMENT; POTENTIAL CONFLICTS OF INTEREST**

AIUS and its affiliates will be subject, and the Portfolios will be exposed, to a number of actual and potential conflicts of interest. Any such conflict of interest could have a material adverse effect on the Portfolios and the Shareholders' investments therein. However, the existence of an actual or potential conflict of interest does not mean that it will be acted upon to the detriment of a Portfolio. When a conflict of interest arises, AIUS will endeavor to ensure that the conflict is resolved fairly and in an equitable manner that is consistent with its fiduciary duties to the Portfolio. AIUS has in place policies and procedures that it believes are reasonably designed to identify and resolve actual and potential conflicts of interest. Unless the context clearly indicates otherwise, references in this section to conflicts of interest that may apply to AIUS should be understood to apply to its affiliates. It is expected that a number of the actual or potential conflicts of interest described herein (as well as others not described herein) may also apply to Managers.

Prospective Shareholders should understand that (i) the relationships among the Portfolios, the Other Accounts, AIUS, and its affiliates are complex and dynamic and (ii) as AIUS', and the Portfolios' respective businesses change over time, AIUS and its affiliates may be subject, and the Portfolios and Investment SPVs may be exposed, to new or additional conflicts

of interest. There can be no assurance that this Memorandum addresses or anticipates every possible current or future conflict of interest that may arise or that is or may be detrimental to a Portfolio or the Shareholders invested therein. *Prospective Shareholders should consult with their own advisers regarding the possible implications on their investment in a Portfolio of the Fund of the conflicts of interest described in this Memorandum.*

## Other Activities of AIUS and its Affiliates

Conflicts of interest may arise from the fact that AIUS and its affiliates provide investment management services to clients other than the Portfolios or the Investment SPVs, including, without limitation, the investment funds, separately managed accounts, proprietary accounts and other investment vehicles (collectively, "Other Accounts", and together with the Portfolios and the Investment SPVs, the "Accounts" and each, an "Account"). The Portfolios or the Investment SPVs will not typically have an interest in any Other Accounts.

Other Accounts may have investment objectives, programs, strategies and positions that are similar to or may conflict with those of the Portfolios or the Investment SPVs, or may compete with or have interests adverse to the Portfolios or the Investment SPVs. Such conflicts could affect the prices and availability of securities in which the Portfolios or the Investment SPVs invest. Even if an Other Account has investment objectives, programs or strategies that are similar to those of a Portfolio or an Investment SPV, AIUS may give advice or take action with respect to the investments held by, and transactions of, such Other Account that may differ from the advice given or the timing or nature of any action taken with respect to the investments held by, and transactions of, such Portfolios or Investment SPV, as applicable, for a variety of reasons, including, without limitation, differences between the investment strategy, financing terms, regulatory treatment and tax treatment of the Other Account, the Portfolio or Investment SPV, as applicable. As a result, such Portfolio or Investment SPV, as applicable, and an Other Account may have substantially different portfolios and investment returns. Conflicts of interest may also arise when AIUS makes decisions on behalf of a Portfolio or an Investment SPV with respect to matters where the interests of AIUS or one or more Other Accounts differs from the interests of such Portfolio or Investment SPV, as applicable.

AIUS and its affiliates also generally do not have any duty to account to the Portfolios for profits derived from other activities and are under no duty, other than the duty as a fiduciary, to engage in such activities in a manner which does not adversely affect the relevant Portfolios' or Investment SPVs' investments.

## Liquidation of Assets of Other Accounts and Other Classes

AIUS and its affiliates may provide investment management services to Other Accounts (including managed accounts and investment funds formed for a single investor or group of affiliated investors (each such fund, a "Fund of One")) that may have investment objectives, programs or strategies that are similar to those of the Portfolios or any Investment SPVs, which could result in significant overlapping positions among the Portfolios, the Investment SPVs and such Other Accounts. In addition, such Other Accounts may have different or additional terms than those of the Shares described in this Memorandum, including different fees, information rights and liquidity rights (including the right to wind down and terminate a

managed account or Fund of One without cause). Additional information may affect an investor's decision to invest additional capital in, to remain invested in, to withdraw from or to terminate an Other Account. Any such withdrawals or terminations could cause any such Other Account to liquidate its positions ahead of the Portfolios or the Investment SPVs, which may have a material adverse effect on the Fund and the Shareholders' investments therein. Similarly, to the extent that the Portfolios establish Classes of Shares with different liquidity rights, certain Shareholders may be able to act on information before any Shareholder that has less frequent liquidity rights.

## Lack of Exclusivity

AIUS and its affiliates and personnel will devote as much of their time to the activities of the Portfolios and the Investment SPVs as they deem necessary and appropriate. AIUS and its affiliates and personnel will not be restricted from forming Other Accounts, from entering into other investment advisory relationships or from engaging in other business activities, even if such activities may be in competition with the Portfolios and Investment SPVs or may involve substantial time and resources of AIUS and its affiliates or personnel. These activities could be viewed as creating a conflict of interest in that the time and effort of AIUS and its affiliates and personnel will not be devoted exclusively to the business of the Portfolios or the Investment SPVs but will be allocated between the business of the Portfolios, the Investment SPVs and the management of Other Accounts and businesses. Further, AIUS and its affiliates may also, from time to time, conduct business with institutions whose clients invest in the Portfolios, or may provide other consideration to such institutions or recognized agents.

## Investments in Securities by AIUS

The Code of Ethics of AIUS places restrictions on personal trades by employees of AIUS and requires that employees pre-clear certain types of personal securities transactions. Subject to internal compliance policies and approval procedures, employees of AIUS may engage, from time to time, in personal trading of securities, including securities in which a Portfolio or an Investment SPV may invest.

AIUS, its affiliates and its employees may give advice or take action for their own accounts that may differ from, conflict with or be adverse to advice given or action taken by AIUS for a Portfolio or any Investment SPV. These activities may adversely affect the prices and availability of other securities held by or potentially considered for purchase by such Portfolio or Investment SPV.

## Allocations of Trades and Investment Opportunities

In most cases, it will be the policy of AIUS to allocate investment opportunities to the relevant Portfolios, Investment SPVs and to any Other Accounts on a fair and equitable basis, to the extent practical and in accordance with the Portfolios', the Investment SPVs' or Other Accounts' applicable investment strategies, over a period of time. Investment opportunities will generally be allocated among those Accounts, the Portfolios and the Investment SPVs, as applicable, for which participation in the respective opportunity is considered appropriate, taking into account, among other considerations: (i) whether the risk-return profile of the proposed investment is consistent with an Account's, a Portfolio's or Investment SPV's objectives; (ii) the

potential for the proposed investment to create an imbalance in an Account's, a Portfolio's or Investment SPV's portfolio; (iii) the liquidity requirements of an Account, a Portfolio or an Investment SPV; (iv) potentially adverse tax consequences; (v) regulatory restrictions that would or could limit an Account's, a Portfolio's or an Investment SPV's ability to participate in a proposed investment; and (vi) the need to re-size risk in an Account's, a Portfolio's or Investment SPV's portfolio.

AIUS will have no obligation to purchase or sell a security for, enter into a transaction on behalf of, or provide an investment opportunity to, a Portfolio or an Investment SPV solely because AIUS purchases or sells the same security for, enters into a transaction on behalf of, or provides an opportunity to, an Other Account (including another Portfolio) if, in its reasonable opinion, such security, transaction or investment opportunity does not appear to be suitable, practicable or desirable for such Portfolio or Investment SPV, as applicable. To the extent practicable in light of its policies and other factors (including availability of capital, investment restrictions or guidelines imposed by an Account, timing of investments and withdrawals).

### Order Aggregation and Average Pricing

If AIUS determines that the purchase or sale of a security is appropriate with regard to the relevant Portfolio or Investment SPV and any Other Accounts, AIUS may, but is not obligated to, purchase or sell such a security on behalf of such Accounts with an aggregated order, for the purpose of reducing transaction costs, to the extent permitted by applicable law. When orders are not aggregated, trades generally will be processed in the order that they are placed with the broker or counterparty selected by AIUS. As a result, certain trades in the same security for one Account (including an Account in which AIUS and/or its personnel may have a direct or indirect interest) may receive more or less favorable prices or terms than another Account, and orders placed later may not be filled entirely or at all, based upon the prevailing market prices at the time of the order or trade. In addition, some opportunities for reduced transaction costs and economies of scale may not be achieved.

### Cross Trades

It is not generally expected that the Portfolios or Investment SPVs will participate in any Cross Trades. If any such transactions are contemplated, they could only occur during periods in which the assets of a Portfolio or an Investment SPV are not treated as "plan assets" for purposes of ERISA. During such periods, AIUS may determine that it would be in the best interests of the Portfolio or the Investment SPV, as applicable, and one or more Other Accounts to transfer a security from one Account to another (each such transfer, a "Cross Trade") for a variety of reasons, including, without limitation, tax purposes, liquidity purposes, to rebalance the portfolios of the Accounts, or to reduce transaction costs that may arise in an open market transaction. If AIUS decides to engage in a Cross Trade, AIUS will determine that the trade is in the best interests of all of the Accounts, the Portfolio or Investment SPV, as applicable, involved and take steps to ensure that the transaction is consistent with the duty to obtain best execution for each of those Accounts, Portfolio or Investment SPV, as applicable. AIUS would generally execute Cross Trades, if at all, with the assistance of a broker-dealer that executes and books the transaction at the close of the market on the day of the transaction. Alternatively, a cross

transaction between two fund clients may occur as an "internal cross", where AIUS instructs the custodian for the Accounts to book the transaction at the price determined in accordance with the Valuation Policy. If AIUS effects an internal cross, AIUS will not receive any fee in connection with the completion of the transaction.

## Principal Transactions

It is not generally expected that the Portfolios or Investment SPVs will participate in any Cross Trades that may be viewed as principal transactions (as such term is used under the Advisers Act) due to the ownership interest in an Account by AIUS or its respective personnel. If any such transactions are contemplated, they could only occur during periods in which the assets of a Portfolio or an Investment SPV are not treated as "plan assets" for purposes of ERISA. During such periods, AIUS will comply with the requirements of Section 206(3) of the Advisers Act. In connection with principal transactions, Cross Trades, related-party transactions and other transactions and relationships involving potential conflicts of interest, the Board of Directors is authorized to select one or more persons who are not affiliated with AIUS (such as an independent Director) to serve on a committee (the "Advisory Committee"), the purpose of which is to consider and, on behalf of the Shareholders of the relevant Portfolio and approve or disapprove, to the extent required by applicable law or deemed advisable by the Board of Directors, such transactions and conflicts of interest. The Advisory Committee may approve of such transactions prior to or contemporaneous with, or ratify such transactions subsequent to, their consummation. In no event will any such transaction be entered into unless it complies with applicable law. The member(s) of the Advisory Committee may be exculpated and indemnified by the relevant Portfolio. Any decision of the Advisory Committee will be binding on all Shareholders of such Portfolio.

## Trade Errors

A Portfolio or an Investment SPV may on occasion experience errors with respect to trades made on its behalf. Trade errors may include, for example, (i) the placement of orders (either purchases or sales) in excess of the amount of securities the Portfolio or Investment SPV intended to trade; (ii) the sale of a security when it should have been purchased; (iii) the purchase of a security when it should have been sold; (iv) the purchase or sale of the wrong security; (v) the purchase or sale of a security contrary to regulatory restrictions or such Portfolio or Investment SPV investment guidelines or restrictions; (vi) incorrect allocations of trades; (vii) keystroke errors that occur when entering trades into an electronic trading system; and (viii) typographical or drafting errors related to derivatives contracts or similar agreements. Trade errors may result in losses or gains. AIUS will generally use reasonable endeavors to detect trade errors prior to settlement and correct and/or mitigate them in an expeditious manner. Pursuant to the exculpation and indemnification provided by the Portfolios or Investment SPVs to AIUS and their respective affiliates and personnel, AIUS and its respective affiliates and personnel will generally not be liable to the corresponding Portfolio or Investment SPV, as applicable, for any act or omission, absent a breach of the standard of care set forth in the relevant AIUS Agreement and the relevant Portfolio or Investment SPV, as applicable, will generally be required to indemnify such persons against any losses they may incur by reason of any act or omission related to the Portfolio or Investment SPV, as applicable, absent a breach of the standard of care set forth in the relevant AIUS Agreement. As a result of these provisions,

the relevant Portfolio or Investment SPV (and not AIUS) will benefit from any gains resulting from trade errors and will be responsible for any losses (including additional trading costs) resulting from trade errors and similar human errors, absent a breach of the standard of care set forth in the relevant AIUS Agreement.

## Side Letter Agreements

Each Portfolio, and in certain cases AIUS on behalf of the Portfolio, will have the discretion to waive or modify the application of, or grant special or more favorable rights with respect to, any provision of this Memorandum, the relevant Supplement or any other Fund Document to the extent permitted by applicable law. To effect such waivers or modifications or the grant of any special or more favorable rights, a Portfolio may create additional Classes or series of Shares for certain Shareholders that provide for, among other things, (i) greater transparency into the Portfolio, (ii) different or more favorable redemption rights, such as more frequent redemptions or shorter redemption notice periods, (iii) greater information than may be provided to other Shareholders, (iv) different fee or incentive compensation terms, (v) more favorable transfer rights and (vi) key-person notifications. Certain such waivers, modifications or grants of special or more favorable rights may also be effected by a Portfolio, and, in certain cases, AIUS, through agreements ("Side Letter Agreements"). Although certain Shareholders may invest in a Portfolio with different material terms, the Portfolio and AIUS generally will only offer such terms if they believe other Shareholders in the Portfolio will not be materially disadvantaged.

## Conflicts Relating to the Directors of the Fund

As a general matter, the Directors owe certain fiduciary duties to the Fund, which require them to, among other things, act in good faith and in what they consider to be in the best interests of the Fund and in doing so, the Directors will act in a manner that ensures the fair treatment of Shareholders. In exercising their discretions (including in determining to cause a Portfolio to enter into any Side Letter Agreement), the Directors will act in accordance with such fiduciary duties.

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

## Material Non-Public Information

Due to the extensive relationships of AIUS as well as each Manager and their respective affiliates, AIUS and each Manager may have access to material non-public information regarding the securities in which the relevant Portfolio or Investment SPV invests. In the event that AIUS receive such material non-public information, it may be prohibited from effecting transactions for the Portfolio or Investment SPV that it would desire to effect and thereby possibly incur losses. Further, by reason of the advisory, due diligence, committee participation and other activities of AIUS, AIUS, a Manager or related persons (as applicable)

may acquire confidential or material non-public information or be restricted from initiating transactions in certain securities. AIUS, a Manager and related persons will not be free to divulge, or to act upon, any such confidential or material non-public information and, due to these restrictions, AIUS may not initiate a transaction for the relevant Portfolio's or Investment SPV's account that AIUS otherwise might have initiated, and AIUS may be frozen in an investment position that it otherwise might have liquidated or closed out. AIUS may also from time to time come into possession of confidential information relating to a security which AIUS will not use for the benefit of the Portfolio or Investment SPV, due to confidentiality concerns or legal considerations.

## **INDEPENDENT AUDITORS**

Ernst & Young Ltd (the "Auditors") has been retained as the independent auditors of the Fund, the Portfolios and the Investment SPVs to provide auditing and related services. The Auditors will prepare the financial statements of the Fund, the Portfolio and any Investment SPVs in accordance with GAAP in effect on the date thereof, consistently applied. A Portfolio is not obligated to retain the Auditors and the Board of Directors may, without prior notice to, or receiving consent from, the Shareholders of such Portfolio, engage other persons, firms or entities to provide auditing and related services.

## **THE ADMINISTRATOR**

Northern Trust Global Fund Services Cayman Limited (the "Administrator") is the Administrator for the Fund and may be the Administrator of the Portfolios and any Investment SPVs. The Administrator, an affiliate of The Northern Trust Company, is a company that provides services to alternative investment vehicles, including hedge funds that may be competitors of the Fund, one or more of its Portfolios or one or more of the Investment SPVs.

The Administrator provides certain services typical of a fund administrator, and those services are set out with specificity in the Professional Services Agreement with the Fund, its Portfolios and any Investment SPVs (the "Administration Agreement"). The Administrator has no implied duties and the services are not exclusive to the Fund, its Portfolios or the Investment SPVs. The Administrator may employ agents or delegate or sub-contract certain of its duties or functions under the Administration Agreement.

The Administrator will rely on the valuation data provided by or on behalf of the Fund, its Portfolios and the Investment SPVs, even though such valuations may (i) be unsubstantiated and unsupported and/or (ii) vary (whether significantly or not) from those used by other affiliated or unaffiliated clients of the Administrator or available pricing vendors. The Administrator does not determine the propriety or accuracy of the prices and/or other valuation data provided to it by or on behalf of the Fund, its Portfolios and the Investment SPVs, and the Administrator is entitled to and does rely solely on the prices and other valuation data provided to it by or on behalf of the Fund, its Portfolios and the Investment SPVs without independent verification.

The Administrator: (i) is not responsible for any trading decisions of the Portfolios or the Investment SPVs; (ii) may rely upon all information provided to it by the Fund,

its Portfolios, the Investment SPVs or their agents; (iii) is entitled to rely on instructions from the Fund, its Portfolios and the Investment SPVs; and (iv) is not responsible for determining whether the Fund, its Portfolios or the Investment SPVs are in compliance with the investment guidelines and restrictions set forth in this Memorandum, or for monitoring the terms of any Side Letters Agreements.

The Administration Agreement does not create any contractual rights against, or right to rely upon, the Administrator by any Shareholder. The Administrator is not a fiduciary of the Fund, its Portfolios, the Investment SPVs or any Shareholder. The Administrator will not be liable for any losses or damages arising from any act or omission of the Administrator unless such act or omission is due to the Gross Negligence (as defined in the Administration Agreement), fraud or willful misconduct of the Administrator. The liability of the Administrator for any losses or damages arising out of the Administration Agreement for each claim will not exceed — except in the case of a claim based on willful misconduct or fraud, for which no such limitation will apply — an amount set forth in the Administration Agreement. The Administrator will not be liable to the Fund, its Portfolios, the Investment SPVs or any Shareholder for any special, indirect, punitive, incidental or consequential damages.

The Fund, its Portfolios and the Investment SPVs (if any) are obligated to indemnify the Administrator and its affiliates against all claims and liabilities that arise out of the business of the Fund's, its Portfolios' or the Investment SPVs', or the Administrator's performance of the services so long as the conduct of the Administrator or its affiliates giving rise to such claims or liabilities did not constitute Gross Negligence, fraud or willful misconduct.

## **TAX ASPECTS**

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

None of the Portfolios nor the Investment SPVs have sought a ruling from the Service or any other U.S. federal, state or local agency with respect to any of the tax issues affecting a Portfolio or an Investment SPV, nor has any obtained an opinion of counsel with respect to any tax issues.

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



an evaluation of the merits of the trading program, and not upon any anticipated U.S. tax benefits.

## U.S. Tax Status

Each Portfolio intends to operate as a separate corporation for U.S. federal tax purposes separate and apart from the Fund and other portfolios of the Fund. The remainder of the U.S. tax discussion herein assumes that each Portfolio will be treated as a separate corporation for U.S. federal tax purposes.

## U.S. Trade or Business

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

The Portfolios and the Investment SPVs intend to conduct their businesses in a manner so as to meet the requirements of the Safe Harbor. Based on the foregoing, a Portfolio's and an Investment SPV's securities and commodities trading activities are not expected to constitute a U.S. trade or business and, except in the limited circumstances discussed below, each Portfolio does not expect to be subject to the regular U.S. income tax on any of its or the applicable Investment SPV's trading profits. However, if certain of a Portfolio's or an Investment SPV's activities were determined not to be of the type described in the Safe Harbor, such Portfolio's or Investment SPV's activities may constitute a U.S. trade or business, in which case the Portfolio would be subject to U.S. income and branch profits tax on the income and gain from those activities.

Even if a Portfolio's or an Investment SPV's securities trading activity does not constitute a U.S. trade or business, gains realized from the sale or disposition of stock or securities (other than debt instruments with no equity component) of U.S. Real Property Holding Corporations (as defined in Section 897 of the Internal Revenue Code) ("USRPHCs"), including stock or securities of certain Real Estate Investment Trusts ("REITs"), will be generally subject

to U.S. income tax on a net basis. However, a principal exception to this rule of taxation may apply if such USRPHC has a class of stock which is regularly traded on an established securities market and the applicable Portfolio generally did not hold (and was not deemed to hold under certain attribution rules) more than 5% (10% in the case of a REIT) of the value of a regularly traded class of stock or securities of such USRPHC at any time during the five year period ending on the date of disposition.<sup>2</sup> Moreover, if a Portfolio or an Investment SPV were deemed to be engaged in a U.S. trade or business as a result of owning a limited partnership interest in a U.S. business partnership or a similar ownership interest, income and gain realized from that investment would be subject to U.S. income and branch profits tax.

## U.S. Withholding Tax

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

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

---

<sup>2</sup> Each Portfolio or Investment SPV will also be exempt from tax on direct or indirect dispositions of REIT shares, whether or not those shares are regularly traded, if less than 50% of the value of such shares is held, directly or indirectly, by non-U.S. persons at all times during the five-year period ending on the date of disposition. However, even if the direct or indirect disposition of REIT shares would be exempt from tax on a net basis, distributions from a REIT (whether or not such REIT is a USRPHC), to the extent attributable to the REIT's disposition of interests in U.S. real property, are subject to tax on a net basis when directly or indirectly received by the Fund and may be subject to the branch profits tax. Such net basis tax and branch profits tax would not apply to distributions from certain publicly traded REITs made to non-U.S. shareholders owning 10% or less of the REIT's shares; instead, a 30% gross withholding tax would apply (see "U.S. Withholding Tax" below).

voting power, or by a partnership in which such non-U.S. person owns at least 10% of the capital or profits interest.

## Identity and Reporting of Beneficial Ownership; Withholding on Certain Payments

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

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

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

## Redemption of Shares

Gain realized by shareholders who are not U.S. persons within the meaning of the Internal Revenue Code ("non-U.S. shareholders") upon the sale, exchange or redemption of Shares held as a capital asset should generally not be subject to U.S. federal income tax provided that the gain is not effectively connected with the conduct of a trade or business in the U.S. However, in the case of nonresident alien individuals, such gain will be subject to the 30% (or

lower tax treaty rate) U.S. tax if (i) such person is present in the U.S. for 183 days or more during the taxable year (on a calendar year basis unless the nonresident alien individual has previously established a different taxable year) and (ii) such gain is derived from U.S. sources.

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

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

## U.S. Partnership Tax Audit Risk

Any Investment SPV that is treated as a partnership for U.S. tax purposes may be required to file a tax return with the Service. If the tax returns of any such Investment SPV are audited by the Service, the U.S. tax treatment of such Investment SPV's income and deductions generally is determined at the Investment SPV level. For U.S. tax returns of an Investment SPV filed or required to be filed for tax years beginning prior to 2018, U.S. tax deficiencies arising from the audit, if any, are paid by the relevant Portfolio (to the extent of any income that is, or is treated as, effectively connected with a trade or business in the United States or otherwise subject to withholding or other tax in the United States) and the other members of such Investment SPV who were partners for U.S. tax purposes in the year subject to the audit.

Under the general rule imposed under recent legislation, an audit adjustment of any such Investment SPV's U.S. tax return filed or required to be filed for any tax year beginning after 2017 (a "Prior Year") could result in a tax liability (including interest and penalties) imposed on such Investment SPV for the year during which the adjustment is determined (the "Current Year"). The tax liability generally is determined by using the highest tax rates under the Internal Revenue Code applicable to U.S. taxpayers, in which case the relevant Portfolio and any other Current Year partners of such Investment SPV would bear the audit tax liability at significantly higher rates (including interest and penalties) arising from audit adjustments and in amounts that are unrelated to their Prior Year economic interests in the Investment SPV partnership items that were adjusted. Such Investment SPV may be able to use a lower tax rate to compute the tax liability by taking into account the fact that the relevant Portfolio is generally not expected to be subject to U.S. tax on most, if not all, of its share of the Investment SPV's income. However, the details of how this rule will be implemented are not yet known, and there can be no guarantee that such Investment SPV would be able to use a lower tax rate to calculate the tax liability for any particular Prior Year under audit.

To mitigate the potential adverse consequences of the general rule, such Investment SPV may be able to elect with the Service to pass through such audit adjustments for any year to its members who participated in the Investment SPV for the Prior Year, in which

case the relevant Portfolio and each Prior Year participating member (and not the Investment SPV itself) generally would be responsible for the payment of any tax deficiency, determined after including their share of the adjustments on their tax returns for the Current Year and calculated, in the case of the relevant Portfolio, using the tax rates generally applicable to non-U.S. corporations.<sup>3</sup> Such Portfolio may also be able to mitigate such adverse consequences by, after the audit adjustments are made, filing an amended U.S. tax return for the Prior Year and paying tax, if any, on its share of the items adjusted on audit. The extent to which such Investment SPV and/or Portfolio will be able to mitigate the operation of the general rule under either of these alternatives is uncertain and may depend upon future regulatory guidance and amendments to the legislation.

## Tax-Exempt U.S. Persons

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

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

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

---

<sup>3</sup> If such an election is made by an Investment SPV, interest on any deficiency will be at a rate that is 2 percentage points higher than the otherwise applicable interest rate on tax underpayments.

## Reporting Requirements for U.S. Persons

Each Portfolio is considered a passive foreign investment company ("PFIC") within the meaning of the Internal Revenue Code. Any United States person within the meaning of the Internal Revenue Code who holds shares in a PFIC such as a Portfolio (other than certain Tax-Exempt U.S. Persons for whom an investment in such PFIC does not generate UBTI) is generally required to report its investment in the PFIC on an annual basis.

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

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

Furthermore, certain U.S. persons within the meaning of the Internal Revenue Code may have to file Form 8886 ("Reportable Transaction Disclosure Statement") with their U.S. tax return, and submit a copy of Form 8886 with the Office of Tax Shelter Analysis of the Service if a Portfolio in which such reporting shareholder invests engages in certain "reportable transactions" within the meaning of U.S. Treasury Regulations. If the Service designates a transaction as a reportable transaction after the filing of a reporting shareholder's tax return for the year in which a Portfolio or such reporting shareholder participated in the transaction, the reporting shareholder may have to file Form 8886 with respect to that transaction within 90 days

after the Service makes the designation. Shareholders required to file this report include a U.S. person within the meaning of the Internal Revenue Code if the applicable Portfolio is treated as a "controlled foreign corporation" and such U.S. person owns a 10% voting interest or, for tax years beginning after 2017, 10% of the total value of the applicable Portfolio's shares. In certain situations, there may also be a requirement that a list be maintained of persons participating in such reportable transactions, which could be made available to the Service at its request. Moreover, if a U.S. person within the meaning of the Internal Revenue Code recognizes a loss upon a disposition of Shares, such loss could constitute a "reportable transaction" for such shareholder, and such shareholder would be required to file Form 8886. A significant penalty is imposed on taxpayers who fail to make the required disclosure. The maximum penalty is \$10,000 for natural persons and \$50,000 for other persons (increased to \$100,000 and \$200,000, respectively, if the reportable transaction is a "listed" transaction). Shareholders who are U.S. persons within the meaning of the Internal Revenue Code (including Tax-Exempt U.S. Persons) are urged to consult their own tax advisors concerning the application of these reporting obligations to their specific situations and the penalty discussed above.

## Estate and Gift Taxes

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

## Cayman Islands

The Government of the Cayman Islands will not, under existing legislation, impose any income, corporate or capital gains tax, estate duty, inheritance tax, gift tax or withholding tax upon the Fund or the Shareholders. The Cayman Islands are not party to a double tax treaty with any country that is applicable to any payments made to or by the Fund.

The Fund and each Investment SPV have each received, or will apply for and can expect to receive, an undertaking from the Governor-in-Cabinet (or the Financial Secretary in the case of the Investment SPVs) of the Cayman Islands that, in accordance with section 6 of the Tax Concessions Law (2018 Revision) of the Cayman Islands, for a period of 20 years from the date of the undertaking, no law which is enacted in the Cayman Islands imposing any tax to be levied on profits, income, gains or appreciations shall apply to the Fund, each Investment SPV or its operations and, in addition, that no tax to be levied on profits, income, gains or appreciations or which is in the nature of estate duty or inheritance tax shall be payable (i) on or in respect of the shares, debentures or other obligations of the Fund or each Investment SPV or (ii) by way of the withholding in whole or in part of a payment of dividend or other distribution of income or capital by the Fund or each Investment SPV to its members or a payment of principal or interest or other sums due under a debenture or other obligation of the Fund or each Investment SPV.

## Cayman Islands – Automatic Exchange of Financial Account Information

The Cayman Islands has signed two inter-governmental agreements to improve international tax compliance and the exchange of information with the United States (the "US IGA") and one with the United Kingdom (the "UK IGA"). The Cayman Islands has also signed,

along with over 100 other countries, a multilateral competent authority agreement to implement the Organisation for Economic Cooperation and Development's Standard for Automatic Exchange of Financial Account Information – Common Reporting Standard (the "CRS" and together with the US IGA and the UK IGA, "AEOI"). It is anticipated that the UK IGA, related regulations and relevant provisions of the guidance notes will be phased out and replaced with CRS.

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

All Cayman Islands "Financial Institutions" are required to comply with the registration, due diligence and reporting requirements of the AEOI Regulations, unless they are able to rely on an exemption that allows them to become a "Non-Reporting Financial Institution" (as defined in the relevant AEOI Regulations) with respect to one or more of the AEOI regimes, in which case only the registration requirement would apply under the CRS.

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

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

By investing in a Portfolio and/or continuing to invest in a Portfolio, investors shall be deemed to acknowledge that further information may need to be provided to such Portfolio or the Fund, such Portfolio's (or the Fund's) compliance with the applicable AEOI Regulations may result in the disclosure of investor information, and investor information may be exchanged with overseas fiscal authorities. Where an investor fails to provide any requested information (regardless of the consequences), the Fund and the respective Portfolio reserve the right to take any action and/or pursue all remedies at its disposal including, without limitation, compulsory redemption or withdrawal of the investor concerned.

## Other Jurisdictions

Interest, dividend and other income realized by a Portfolio or an Investment SPV from non-U.S. sources, and capital gains realized, or gross sale or disposition proceeds received, on the sale of securities of non-U.S. issuers, may be subject to withholding and other taxes levied by the jurisdiction in which the income is sourced. It is impossible to predict the rate of foreign tax a Portfolio or an Investment SPV will pay since the amount of the assets to be invested in



various countries and the ability of each Portfolio and each Investment SPV to reduce such taxes are not known.

## Future Changes in Applicable Law

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

## Other Taxes

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

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

## **ERISA CONSIDERATIONS**

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

## General

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

ERISA imposes certain general and specific responsibilities on persons who are fiduciaries with respect to an ERISA Plan, including prudence, diversification, avoidance of prohibited transactions and compliance with other standards. In determining whether a particular investment is appropriate for an ERISA Plan, DOL regulations provide that a fiduciary of an ERISA Plan must give appropriate consideration to, among other things, the role that the investment plays in the ERISA Plan's portfolio, taking into consideration whether the investment is designed reasonably to further the ERISA Plan's purposes, the risk and return factors of the

---

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

potential investment, the portfolio's composition with regard to diversification, the liquidity and current return of the total portfolio relative to the anticipated cash flow needs of the ERISA Plan, the projected return of the total portfolio relative to the ERISA Plan's funding objectives, and the limitation on the rights of Shareholders to redeem all or a portion of their Shares or to transfer their Shares. Before investing the assets of an ERISA Plan in a Portfolio (and thus any corresponding Investment SPV), a fiduciary should determine whether such an investment is consistent with its fiduciary responsibilities and the foregoing regulations. For example, a fiduciary should consider whether an investment in such Portfolio (and thus any corresponding Investment SPV) may be too illiquid or too speculative for a particular ERISA Plan and whether the assets of the ERISA Plan would be sufficiently diversified. If a fiduciary with respect to any such ERISA Plan breaches its responsibilities with regard to selecting an investment or an investment course of action for such ERISA Plan, the fiduciary may be held personally liable for losses incurred by the ERISA Plan as a result of such breach.

## Plan Assets Defined

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

Under ERISA, as a general rule, when an ERISA Plan invests assets in another entity, the ERISA Plan's assets include its investment, but do not, solely by reason of such investment, include any of the underlying assets of the entity. However, when an ERISA Plan acquires an "equity interest" in an entity that is neither: (a) a "publicly offered security"; nor (b) a security issued by an investment fund registered under the Company Act, then the ERISA Plan's assets include both the equity interest and an undivided interest in each of the underlying assets of the entity, unless it is established that: (i) the entity is an "operating company"; or (ii) the equity participation in the entity by Benefit Plan Investors is limited.

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

percentage ownership of the remaining equity interests), thus triggering an application of the Benefit Plan Investor percentage of ownership test at the time of the redemption.

## Plan Asset Consequences

AIUS anticipates that the aggregate investment in a particular Portfolio by Benefit Plan Investors may, from time to time, equal or exceed 25% (or such greater percentage as may be provided in regulations promulgated by the DOL) of the value of any class of equity interests in such Portfolio. In such circumstances, the assets of such Portfolio would be treated as "plan assets" for purposes of ERISA. Equity interests held by AIUS or its affiliates are not considered for purposes of determining the level of equity participation by Benefit Plan Investors in any Portfolio. If the aggregate investment in a Portfolio by Benefit Plan Investors does not equal or exceed the 25% threshold as set forth above, neither the Portfolio nor AIUS would be subject to the provisions of ERISA. As a general rule, if the assets of a Portfolio were treated as "plan assets" of a Benefit Plan Investor, AIUS would be deemed a "fiduciary" (as defined in ERISA and the Internal Revenue Code) with respect to each ERISA Plan and Individual Retirement Fund investing in such Portfolio. However, AIUS believes that with respect to investors in a Portfolio that have not entered into an investment management agreement with AIUS that permits AIUS to invest in the Portfolio on a discretionary basis ("delegated clients"), given the limited purpose and role of the Portfolios where there is a corresponding Investment SPV and given the requirement that AIUS implement the direction of the investors in such Portfolios other than the delegated clients to invest the assets of such Portfolios in the corresponding Investment SPV, as set forth in this Memorandum, neither AIUS nor any other entity providing services to such a Portfolio is exercising any discretionary authority or control with respect to the investment of the assets of such a Portfolio in the corresponding Investment SPV. Accordingly, AIUS believes that neither AIUS nor any other entity providing services to such a Portfolio acts as a "fiduciary" (as defined in ERISA and the Internal Revenue Code) with respect to the assets of the Portfolios or any ERISA Plan or Individual Retirement Fund investor other than a delegated client in connection with the investment by such Portfolio in the corresponding Investment SPV. Further, by investing in such a Portfolio, each of the Shareholders that is a Benefit Plan Investor other than a delegated client will represent and warrant that it does not intend its investment in such Portfolio to establish any relationship which would cause AIUS or any other person to be a "fiduciary" (as defined in ERISA and the Internal Revenue Code) with respect to such Benefit Plan Investor in connection with the investment by the Portfolio in the corresponding Investment SPV, and each such Benefit Plan Investor will further represent and warrant that it will not take any position to the contrary.

AIUS anticipates that the aggregate investment in a particular Portfolio that invests directly or the indirect investment in an Investment SPV where an Investment SPV has been established to invest the assets of a particular Portfolio by Benefit Plan Investors may, from time to time, equal or exceed 25% (or such greater percentage as may be provided in regulations promulgated by the DOL) of the value of any class of equity interests in such Portfolio or Investment SPV, as applicable. In such circumstances, the assets of such Portfolio or Investment SPV, as applicable, would be treated as "plan assets" for purposes of ERISA. If investment in a Portfolio or indirectly in an Investment SPV by Benefit Plan Investors does not equal or exceed the 25% threshold as set forth above, none of the Portfolio, the Investment SPV, as applicable, or AIUS would be subject to the provisions of ERISA. As a general rule, if the assets of a Portfolio

or Investment SPV, as applicable, were treated as "plan assets" for purposes of ERISA, AIUS would be deemed a "fiduciary" (as defined in ERISA and the Internal Revenue Code) with respect to each ERISA Plan and Individual Retirement Fund investing in such Portfolio or indirectly in an Investment SPV, as applicable, each in connection with its particular role in connection with the Portfolio or Investment SPV, as applicable. In addition, if the assets of a particular Portfolio or an Investment SPV were treated as "plan assets" for purposes of ERISA, AIUS would be subject to the general prudence and fiduciary responsibility provisions of ERISA with respect to each ERISA Plan and Individual Retirement Fund investing in the particular Portfolio or indirectly in the particular Investment SPV, as applicable, each in connection with its particular role in connection with the Portfolio or Investment SPV. In such circumstances, an indirect investment by an ERISA Plan in the Portfolio or Investment SPV would constitute the appointment, in accordance with the written instruments governing the underlying ERISA Plan, of AIUS as an "investment manager" as defined in Section 3(38) of ERISA, with respect to each such investing ERISA Plan. The acceptance of the subscription constitutes acknowledgement by AIUS of its status as a fiduciary with respect to such investing ERISA Plan during any such period, each in connection with its particular role in connection with the particular Portfolio or Investment SPV.

Notwithstanding anything contained herein to the contrary, during any time that the assets of a Portfolio are treated for purposes of ERISA as plan assets of any ERISA Plan, the fiduciary of such ERISA Plan that made the decision to invest in the Portfolio on behalf of the ERISA Plan will be deemed to have appointed AIUS and consented to the use of the service providers listed in this Memorandum, and the Directors will not be deemed to have made the appointment of AIUS or other service providers on behalf of any ERISA Plan. In addition, the Directors will not be responsible for monitoring, on behalf of any ERISA Plan, the prudence of the retention of AIUS as a manager of the assets of such ERISA Plan or the retention of any service providers to provide services with respect to the assets of such ERISA Plan in respect of the Portfolio. Any discretionary authority granted to the Directors under the Articles of Association is exercisable solely for the benefit of the Portfolio in accordance with the applicable law of the Cayman Islands and, to the extent such authority is entrusted and conferred upon AIUS, the Directors will not be considered to be fiduciaries of any ERISA Plan holding Shares.

If the assets of a directly investing Portfolio or an Investment SPV were treated as "plan assets" for purposes of ERISA, such Portfolio or Investment SPV, as applicable, would be subject to various other requirements of ERISA and the Internal Revenue Code and the same would apply if the assets of the underlying funds and accounts of the Managers were treated as plan assets for purposes of ERISA. In particular, such Portfolio or Investment SPV, as applicable, would be subject to rules restricting transactions with "parties in interest" and prohibiting transactions involving conflicts of interest on the part of fiduciaries which might result in a violation of ERISA and the Internal Revenue Code unless the transaction was subject to a statutory or administrative exemption that would allow such Portfolio or Investment SPV, as applicable, to conduct its operations as described herein and the same would apply if the assets of the underlying funds and accounts of the Managers were treated as plan assets for purposes of ERISA. In this regard, AIUS anticipates that where an exemption is necessary to enable a particular Portfolio or Investment SPV, or the underlying fund or account of a Manager, as applicable, to enter into certain transactions with parties in interest or disqualified persons, AIUS

or such underlying Manager, as applicable, may rely on the following statutory, individual or class exemptions issued by the DOL:

- (a) **Section 408(b)(17) of ERISA (and Section 4975(d)(20) of the Internal Revenue Code).** Section 408(b)(17) of ERISA (and Section 4975(d)(20) of the Internal Revenue Code) permits the particular Portfolio or Investment SPV, as applicable, to engage in transactions with various service providers to the Benefit Plan Investors as long as the conditions set forth in Section 408(b)(17) of ERISA (and Section 4975(d)(20) of the Internal Revenue Code) are satisfied.
- (b) **Qualified Professional Asset Manager Exemption.** Prohibited Transaction Class Exemption 84-14 generally permits ERISA Plans and Individual Retirement Funds to enter into transactions with parties in interest and disqualified persons if such transactions are entered into on behalf of such plans by a "Qualified Professional Asset Manager" (a "QPAM"). AIUS currently qualifies as a QPAM and during all periods when the assets of the particular Portfolio or Investment SPV, as applicable, are treated as "plan assets" for purposes of ERISA.
- (c) **Individual Exemptions.** During all periods in which the assets of a particular Portfolio or Investment SPV, as applicable, are treated as "plan assets" for purposes of ERISA, AIUS may apply to the DOL for an individual exemption to permit such Portfolio or Investment SPV, as applicable, to enter into transactions for which no class or statutory exemption is available, if it believes that the transaction is in the best interest of such Portfolio or Investment SPV, as applicable, or may so apply if any transaction entered into by such Portfolio or Investment SPV, as applicable, is deemed by the DOL or the Service to violate the prohibited transaction provisions to ERISA or the Internal Revenue Code.

The Manager of an underlying fund or account whose assets are treated as "plan assets" for purposes of ERISA may also rely on the statutory, individual or class exemptions set forth above.

In the event that any transaction would or might constitute a prohibited transaction under ERISA or the Internal Revenue Code and a statutory, class or individual exemption from the prohibited transaction provisions of ERISA for such transaction does not apply or cannot be obtained from the DOL (or AIUS determines not to seek such an exemption), the Board of Directors may, in its sole discretion, compulsorily redeem all or any portion of a Shareholder's Shares. (See "Redemptions — Mandatory Redemptions".)

If a prohibited transaction occurs for which no exemption is available, AIUS and any other party in interest that has engaged in the prohibited transaction could be required (i) to restore to the Individual Retirement Fund or ERISA Plan any profit realized on the transaction and (ii) to reimburse the Individual Retirement Fund or ERISA Plan for any losses suffered by the Individual Retirement Fund or ERISA Plan as a result of the investment. Each party in

interest involved could be subject to an excise tax equal to 15% of the amount involved in the prohibited transaction for each year that the transaction continues and, unless the transaction is corrected within statutorily required periods, to an additional tax of 100%. Individual Retirement Fund and ERISA Plan fiduciaries that decide to invest in a Portfolio (and thus any corresponding Investment SPV) could, under certain circumstances, be liable for prohibited transactions or other violations as a result of their investment in such Portfolio (and thus any corresponding Investment SPV) or as co-fiduciaries for actions taken by or on behalf of the Portfolio.

Section 408(a)(5) of the Internal Revenue Code provides that the assets of an individual retirement account (an "IRA") may not be commingled with other property except in a common trust or investment fund. A prohibited commingling of the assets of an IRA in other than a common trust fund or common investment fund could result in the disqualification of the IRA and a deemed distribution of the IRA's assets to the beneficiary of the IRA.

Although none of the Portfolios and any corresponding Investment SPVs are common trust funds or common investment funds, for the reasons discussed below, each Portfolio and any corresponding Investment SPV have been advised by U.S. legal counsel that, if the assets of the Portfolio were treated as "plan assets" for purposes of ERISA, an investment in such Portfolio and in any corresponding Investment SPV by an IRA should not be deemed to involve a prohibited commingling of IRA assets. While the assets of a Portfolio (and thus any corresponding Investment SPV), under certain circumstances discussed above, may be treated as "plan assets" for purposes of ERISA, that term applies solely for purposes of Title I of ERISA and Section 4975 of the Internal Revenue Code, but not to Section 408(a)(5) of the Internal Revenue Code. Accordingly, although there is no direct authority on this matter, for purposes of the prohibition against the commingling of IRA assets, no such commingling should occur because the sole interest of an investing IRA would be its Shares, and not the underlying assets of a Portfolio.

If the assets of a Portfolio or an Investment SPV are treated as "plan assets" for purposes of ERISA, AIUS will purchase a fidelity bond satisfying the requirements of Section 412 of ERISA with respect to the assets of such Portfolio or Investment SPV owned by ERISA Plans.

## Representations by Plans

An ERISA Plan proposing to invest in a Portfolio (and thus any corresponding Investment SPV) will be required to represent that it is, and any fiduciaries responsible for the ERISA Plan's investments are, aware of and understand such Portfolio's and any corresponding Investment SPV's investment objectives, policies and strategies, and that the decision to invest plan assets in the Portfolio (and thus any corresponding Investment SPV) was made with appropriate consideration of relevant investment factors with regard to the ERISA Plan and is consistent with the duties and responsibilities imposed upon fiduciaries with regard to their investment decisions under ERISA.

*Whether or not the assets of a Portfolio or any corresponding Investment SPV are treated as "plan assets" for purposes of ERISA, an investment in a Portfolio (and thus any*

*corresponding Investment SPV) by an ERISA Plan is subject to ERISA. Accordingly, fiduciaries of ERISA Plans should consult with their own counsel as to the consequences under ERISA of an investment in a Portfolio (and thus any corresponding Investment SPV).*

## ERISA Plans and Individual Retirement Funds Having Prior Relationships with AIUS or its Affiliates

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

## Eligible Indirect Compensation and Disclosure Requirements Under Section 408(b)(2) of ERISA

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

In addition, the disclosures set forth in this Memorandum, the applicable Supplement in conjunction with disclosures made in AIUS' Form ADV and the audited financial statements of the relevant Portfolio, constitute AIUS' good faith efforts to comply with the disclosure requirements under Section 408(b)(2) of ERISA and the regulations promulgated thereunder, if applicable.

## Future Regulations and Rulings

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

## **OTHER REGULATORY MATTERS**

### Company Act Regulation

None of the Fund or the Investment SPVs are registered as investment companies under the Company Act. The Fund complies with Section 3(c)(7) of the Company Act, which permits private investment companies (such as the Fund) to sell their interests, on a private

placement basis, to an unlimited number of investors that are "qualified purchasers", as defined under the Company Act.

## Cayman Islands Mutual Funds Law

The Fund is (and any Investment SPV is expected to be) regulated as a mutual fund under the Mutual Funds Law. Regulation under the Mutual Funds Law entails the filing of prescribed details and audited accounts annually with the Monetary Authority. The Monetary Authority may at any time instruct each of the Fund and the Investment SPVs to have their accounts audited and to submit them to the Monetary Authority within such time as the Monetary Authority specifies. Failure to comply with these requests by the Monetary Authority may result in substantial fines on the part of the Board of Directors and may result in the Monetary Authority applying to the court to have the Fund and the Investment SPVs wound up.

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

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

The Fund and the Investment SPVs, or any of its or their directors or agents domiciled in the Cayman Islands, may be compelled to provide information relating to the subscriber, and, where applicable, the subscriber's beneficial owners and controllers, subject to a request for information made by a regulatory or governmental authority or agency under applicable law; *e.g.*, by the Monetary Authority, either for itself or for a recognized overseas regulatory authority, under the Monetary Authority Law (2020 Revision), or by the Tax Information Authority, under the Tax Information Authority Law (2017 Revision) or Reporting of Savings Income information (European Union) Law (2014 Revision) and associated regulations, agreements, arrangements and memoranda of understanding. Disclosure of confidential information under such laws will not be regarded as a breach of any duty of confidentiality and, in certain circumstances, the Fund, the Investment SPVs and any of its or their directors or agents, may be prohibited from disclosing that the request has been made.

The Fund was incorporated in the Cayman Islands as an exempted company under the Companies Law of the Cayman Islands (as amended) (the "Companies Law"). While



prospective investors will acquire an interest in the Fund on subscribing for Shares, the Fund is a separate legal entity which is the sole owner of the investments in the Fund's portfolio. Consequently, Shareholders have no direct legal or beneficial interest in those investments. The liability of Shareholders for the debts and other obligations of the Fund is limited to the amount unpaid, if any, on the Shares held by them. A Shareholder's rights in respect of its investment in a Portfolio of the Fund are governed by the Articles, the Companies Law, the terms set out in the Memorandum and the Subscription Agreement.

## Anti-Money Laundering Regulations

### *Identity Verification*

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

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

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

The Fund (on behalf of the applicable Portfolio), and the Administrator on the Fund's behalf, also may refuse to make any redemption or dividend payment to a Shareholder if the Directors or the Administrator suspect or are advised that the payment of redemption or dividend proceeds to such Shareholder may be non-compliant with applicable laws or regulations, or if such refusal is considered necessary or appropriate to ensure the compliance by the Fund, the Portfolio or the Administrator with any applicable laws or regulations.

The Monetary Authority has a discretionary power to impose substantial administrative fines upon the Fund in connection with any breaches by the Fund of prescribed provisions of the Mutual Funds Law and/or the Anti-Money Laundering Regulations (2018 Revision) of the Cayman Islands, as amended and revised from time to time (the "AML

Regulations"), and upon any Director or officer of the Fund who either consented to or connived in the breach, or to whose neglect the breach is proved to be attributable. To the extent any such administrative fine is payable by the Fund, the Fund will bear the costs of such fine and any associated proceedings.

### *Freezing Accounts*

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

### *Sanctions and Required Representations*

The Fund is subject to laws that restrict it from dealing with certain persons, including, without limitation, persons that are located or domiciled in sanctioned jurisdictions. Accordingly, each subscriber and Shareholder (including any transferee) will be required to make such representations to the Fund as the Fund, AIUS or the Administrator will require in connection with applicable AML/OFAC Obligations, including, without limitation, representations to the Fund that, to the best of its knowledge, such subscriber or Shareholder (and (i) any person controlling or controlled by the subscriber or Shareholder; (ii) if the subscriber or Shareholder is a privately held entity, any person having a beneficial interest in the subscriber or Shareholder; (iii) if required under Cayman Islands law, such persons having a beneficial interest in the subscriber or Shareholder as determined under Cayman Islands law; (iv) any person for whom the subscriber or Shareholder is acting as agent or nominee in connection with the investment; and (v) any authorized persons in respect of such subscriber or Shareholder) is not (a) a country, territory, individual or entity named on an OFAC list, any list maintained under the European Union ("EU") or United Kingdom ("UK") Regulations (as extended to the Cayman Islands by statutory instrument) or any similar list maintained under applicable law ("Sanctions Lists"); (b) dealing with any third party named on any Sanctions List; (c) operationally based or domiciled in a country or territory in relation to which current sanctions have been issued by the United Nations, EU or UK; or (d) a person or entity prohibited under the programs administered by OFAC or any other similar economic and trade sanctions program. Where a Shareholder is named on any of the Sanctions Lists, the Fund may be required to cease any further dealings with the Shareholder's interest in the applicable Portfolio until such sanctions are lifted or a license is sought under applicable law to continue dealings.

Each subscriber and Shareholder (including any transferee) will also be expected to represent to the Fund that, to the best of its knowledge, such subscriber or Shareholder (and

(i) any person controlling or controlled by the subscriber or Shareholder; (ii) if the subscriber or Shareholder is a privately held entity, any person having a beneficial interest in the subscriber or Shareholder; (iii) if required under Cayman Islands law, such persons having a beneficial interest in the subscriber or Shareholder as determined under Cayman Islands law; (iv) any person for whom the subscriber or Shareholder is acting as agent or nominee in connection with the investment; and (v) any authorized persons in respect of such subscriber or Shareholder) is not a politically exposed person,<sup>\*</sup> or any family member<sup>\*\*</sup> or close associate<sup>\*\*\*</sup> of a politically exposed person. Any subscriber or Shareholder (including any transferee) that cannot make such representations may be subject to enhanced due diligence and the Fund may decline to accept any subscription or process any transfer in such circumstances.

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

---

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

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

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

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

Such subscriber or Shareholder will also be required to represent to the Fund that amounts contributed by it to the applicable Portfolio were not directly or indirectly derived from activities that may contravene applicable laws and regulations, including, without limitation, any applicable anti-money laundering laws and regulations.

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

## *Required Reporting*

If any person in the Cayman Islands knows or suspects or has reasonable grounds for knowing or suspecting that another person is engaged in criminal conduct or money laundering or is involved with terrorism or terrorist financing and property and the information for that knowledge or suspicion came to their attention in the course of business in the regulated sector, or other trade, profession, business or employment, the person will be required to report such knowledge or suspicion to (i) the Financial Reporting Authority of the Cayman Islands, pursuant to the Proceeds of Crime Law (2020 Revision) of the Cayman Islands, if the disclosure relates to criminal conduct or money laundering, or (ii) a police officer of the rank of constable or higher, or the Financial Reporting Authority, pursuant to the Terrorism Law (2020 Revision) of the Cayman Islands, if the disclosure relates to involvement with terrorism or terrorist financing and property. Such a report will not be treated as a breach of confidence or of any restriction upon the disclosure of information imposed by any enactment or otherwise.

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

## *Delegation*

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

## *Investment SPV Obligations.*

As a regulated mutual fund in the Cayman Islands, an Investment SPV will also be subject to the same legislation and regulations aimed at the prevention of money laundering that are applicable to the Fund. The Investment SPVs will discharge their obligations by implementing procedures substantially similar to the Fund.

## *Beneficial Ownership Regime.*

The Fund and each Investment SPV is or will be regulated as a mutual fund under the Mutual Funds Law and, accordingly, does not or will not fall within the scope of the primary obligations under Part XVIIIA of the Companies Law (the "Beneficial Ownership Regime"). The

Fund and the Investment SPVs will, therefore, not be required to maintain a beneficial ownership register. The Fund and the Investment SPVs may, however, be required from time to time to provide, on request, certain particulars to other Cayman Islands entities which are within the scope of the Beneficial Ownership Regime and which are therefore required to maintain beneficial ownership registers under the Beneficial Ownership Regime. It is anticipated that such particulars will generally be limited to the identity and certain related particulars of (i) any person holding (or controlling through a joint arrangement) a majority of the voting rights in respect of the Fund and/or the Investment SPVs; (ii) any person who is a member of the Fund and/or the Investment SPVs and who has the right to appoint and remove a majority of the board of directors of the Fund and/or the Investment SPVs; and (iii) any person who has the right to exercise, or actually exercises, dominant direct influence or control over the Fund and/or the Investment SPVs.

#### *Cayman Islands Data Protection Law.*

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

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

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

#### **NEW ISSUES**

Certain Portfolios may invest in "new issues", as defined under the rules of the U.S. Financial Industry Regulatory Authority ("FINRA"). Separate sub-series of Shares of the corresponding Portfolio may be issued on each date that Shares are purchased for the purpose of allocating profits and losses attributable to new issues. Under applicable FINRA rules, certain persons (including, without limitation, persons associated with a broker-dealer, portfolio managers, executive officers and directors of public companies and certain family members of such persons) may be "restricted" with respect to their participation in new issues. Such persons will be issued a sub-series of Shares that will not participate (or will be limited in its participation) in profits and losses attributable to new issues. The policy with respect to the allocation of profits and losses attributable to new issues may be revised from time to time, in light of, among other things, existing interpretations of, and amendments to, the applicable FINRA rules and practical considerations, including administrative burdens and principles of fairness and equity.

## **CAPITAL STRUCTURE OF THE FUND**

### Authorized Share Capital and Division of Shares

The Fund has authorized share capital of \$50,000 divided into (i) 1,000 voting, non-redeemable, non-participating shares, of \$1.00 par value each (the "Management Shares"), and (ii) 49,000,000 non-voting, redeemable, participating shares, of \$0.001 par value each, which may be allocated by the Board of Directors, in its discretion, among various Classes, series and sub-series of Shares. No capital of the Fund is under option or agreed, conditionally or unconditionally, to be put under option to any person.

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

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

The Shares have no conversion or pre-emptive rights. All Shares, when duly issued, will be fully paid and non-assessable.

### Participation and Voting

Shareholders that participate in the profits of a Portfolio generally do so in proportion to the net asset value per Share of the various Classes, series and sub-series of Shares they hold in such Portfolio. In the event of the termination of a Portfolio, the net assets of such Portfolio remaining after the satisfaction of the rights of creditors will also generally be distributed to such Shareholders in proportion to the net asset value per Share of the various Classes, series and sub-series of Shares in such Portfolio.

The Shares (other than the Management Shares) have no voting power, other than on a variation of Share Rights, but are participating and redeemable. The Shares (other than the Management Shares) are entitled to receive any dividends which may be declared by the Board of Directors (on behalf of the relevant Portfolio) or any committee of the Board of Directors (on behalf of the relevant Portfolio).

### Management Shares

The Management Shares have the power to receive notice of, attend and vote at general meetings of the Fund, but do not participate in any Portfolio's profits and are not redeemable. Upon winding up of the Fund, the holder of the Management Shares will be entitled only to return of the par value of such Management Shares. Each Management Share is entitled to one vote per Management Share.

MaplesFS Limited (the "Share Trustee"), a company incorporated in the Cayman Islands licensed to carry on trust business, holds all of the Management Shares, as trustee, pursuant to a declaration of trust under Cayman Islands law to benefit certain qualified charities.

AIUS has entered into a fee agreement with the Share Trustee to formalize the agreement between AIUS and the Share Trustee with respect to the Share Trustee's remuneration for the provision of trustee services.

The Share Trustee is an affiliate of Maples and Calder, the Fund's Cayman Islands legal counsel.

## Rights of Shareholders

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

The Articles of Association have been drafted in broad and flexible terms to allow the Directors the authority, in their discretion, to determine a number of issues, including, without limitation, with respect to the subscription and redemption terms. In approving the offering of Shares on the terms set out in this Memorandum, the Directors have exercised a number of these discretions in accordance with the Articles of Association.

## Variation of Share Rights

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

## Negative Consent

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

## Dividends

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

## **CAPITAL STRUCTURE OF THE INVESTMENT SPVs**

If the Investment SPVs are structured as Cayman Islands exempted companies, under the Memorandum and Articles of Association of each Investment SPV, as the same may be amended from time to time (each, the "Investment SPV Articles"), each Investment SPV will generally have authorized share capital of \$50,000 divided into 50,000,000 voting, redeemable, participating shares, U.S. \$0.001 par value each, which may be allocated by the relevant Investment SPV Board of Directors, in its discretion, among various classes, series and sub-series of shares. All of the voting, redeemable, participating shares of an Investment SPV will be held by the corresponding Portfolio. The Portfolio acting by the Board of Directors will vote the shares of the Investment SPV held by the corresponding Portfolio.

An Investment SPV may, from time to time, by an ordinary resolution, increase its authorized share capital, consolidate its shares into a smaller number of shares, sub-divide such shares into a larger number of shares, or cancel any shares not taken or agreed to be taken by any person. An Investment SPV may, from time to time, by a special resolution, reduce its share capital in any way permitted by the laws of the Cayman Islands.

The shares of the Investment SPVs will have no conversion or pre-emptive rights. All shares of the Investment SPVs, when duly issued, will be fully paid and non-assessable.



The Investment SPV Articles will generally be drafted in broad and flexible terms to allow the applicable Investment SPV Board of Directors the authority, in their discretion, to determine a number of issues, including, without limitation, in connection with subscription and redemption terms.

If an Investment SPV is not structured as a company, the relevant Supplement will disclose the entity type and its governance.

## **LEGAL COUNSEL**

Schulte Roth & Zabel LLP ("SRZ") has been engaged by AIUS to represent it as U.S. legal counsel in connection with the organization of the Fund and this offering of Shares. Maples and Calder ("Maples") (together with SRZ, "Legal Counsel") has been engaged to act as Cayman Islands legal counsel to represent the Fund and each Portfolio in connection with the organization of the Fund and any Investment SPVs, the establishment of each Portfolio and any Investment SPVs and this offering of Shares in the Fund. No separate counsel has been engaged to independently represent the Shareholders in connection with these matters.

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

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

There may be situations in which there is a "conflict" between the interests of AIUS and those of the Fund, the Portfolios or the Investment SPVs. In these situations, such parties will determine the appropriate resolution thereof, and may seek advice from Legal Counsel in connection with such determinations. AIUS (with respect to SRZ) and the Fund, the Portfolios and the Investment SPVs have each consented to Legal Counsel's concurrent

representation of such parties in such circumstances. In general, independent counsel will not be retained to represent the interests of the Shareholders.

## **SUITABILITY REQUIREMENTS**

Shareholders must meet the suitability requirements set forth in the section of this Memorandum entitled, "Summary of Terms—Suitability Requirements".

Each prospective Shareholder generally must be either a non-U.S. Person or a Permitted U.S. Person and must meet other suitability requirements described herein and in the Subscription Agreement. The term "Permitted U.S. Person" means a Tax-Exempt U.S. Person or a pass-through entity for U.S. federal tax purposes substantially all of the ownership interests in which are held by Tax-Exempt U.S. Persons.

The term "U.S. Person" means a person described in one or more of the following paragraphs:

1. With respect to any person, any individual or entity that would be a U.S. Person under Regulation S promulgated under the Securities Act. The Regulation S definition is set forth in Appendix A to this Memorandum.
2. With respect to individuals, any U.S. citizen or "resident alien" within the meaning of U.S. income tax laws as in effect from time to time. Currently, the term "resident alien" is defined under U.S. income tax laws to generally include any individual who (i) holds an Alien Registration Card (a "green card") issued by the U.S. Immigration and Naturalization Service or (ii) meets a "substantial presence" test. The "substantial presence" test is generally met with respect to any current calendar year if (a) the individual was present in the U.S. on at least 31 days during such year and (b) the sum of the number of days on which such individual was present in the U.S. during the current year,  $\frac{1}{3}$  of the number of such days during the first preceding year, and  $\frac{1}{6}$  of the number of such days during the second preceding year, equals or exceeds 183 days.
3. With respect to persons other than individuals:
  - (i) a corporation or partnership created or organized in the United States or under the laws of the United States or any state;
  - (ii) a trust where (a) a U.S. court is able to exercise primary supervision over the administration of the trust and (b) one or more U.S. Persons have the authority to control all substantial decisions of the trust; and
  - (iii) an estate which is subject to U.S. tax on its worldwide income from all sources.

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

## APPENDIX A

### REGULATION S DEFINITION OF U.S. PERSON

Pursuant to Rule 902(k) of Regulation S under the Securities Act:

- (1) "U.S. person" means:
  - (i) any natural person resident in the United States;
  - (ii) any partnership or corporation organized or incorporated under the laws of the United States;
  - (iii) any estate of which any executor or administrator is a U.S. person;
  - (iv) any trust of which any trustee is a U.S. person;
  - (v) any agency or branch of a foreign entity located in the United States;
  - (vi) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person;
  - (vii) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organized, incorporated, or (if an individual) resident in the United States; and
  - (viii) any partnership or corporation if:
    - (A) organized or incorporated under the laws of any foreign jurisdiction; and
    - (B) formed by a U.S. person principally for the purpose of investing in securities not registered under the Securities Act, unless it is organized or incorporated, and owned, by accredited investors (as defined in Rule 501(a) under the Securities Act) who are not natural persons, estates or trusts.
- (2) The following are not "U.S. persons":
  - (i) any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a non-U.S. person by a dealer or other professional fiduciary organized, incorporated, or (if an individual) resident in the United States;
  - (ii) any estate of which any professional fiduciary acting as executor or administrator is a U.S. person if:
    - (A) an executor or administrator of the estate who is not a U.S. person has sole or shared investment discretion with respect to the assets of the estate; and

# Town of Wilton Ref # 44024

- (B) the estate is governed by foreign law;
- (iii) any trust of which any professional fiduciary acting as trustee is a U.S. person, if a trustee who is not a U.S. person has sole or shared investment discretion with respect to the trust assets, and no beneficiary of the trust (and no settlor if the trust is revocable) is a U.S. person;
- (iv) an employee benefit plan established and administered in accordance with the law of a country other than the United States and customary practices and documentation of such country;
- (v) any agency or branch of a U.S. person located outside the United States if:
  - (A) the agency or branch operates for valid business reasons; and
  - (B) the agency or branch is engaged in the business of insurance or banking and is subject to substantive insurance or banking regulation, respectively, in the jurisdiction where located; and
- (vi) The International Monetary Fund, the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, the United Nations, and their agencies, affiliates and pension plans, and any other similar international organizations, their agencies, affiliates and pension plans.