
BELMONT GLOBAL TREND FUND LTD

(incorporated as an exempted company
with limited liability in the Cayman Islands)

CONFIDENTIAL OFFERING MEMORANDUM

An offering of up to 5,000,000 Shares of US\$0.01 par value at purchase price based on the applicable Net Asset Value per Share payable in full upon application.

This Offering Memorandum is distributed on a confidential basis in connection with a private offering of Shares, none of which will be issued to any person other than a person to whom a copy of this Offering Memorandum is sent. No person receiving a copy of this Offering Memorandum in any territory may treat it as constituting an offer to him, unless in the relevant territory such an offer could lawfully be made to him without compliance with any registration or other legal requirements.

The contents of this Offering Memorandum are not to be construed as a recommendation or advice to any prospective investor in relation to the subscription, purchase, holding or disposition of Shares. **Prospective investors should consult their professional advisers accordingly.**

SHARES ARE OFFERED ONLY TO NON-U.S. PERSONS AS THAT TERM IS DEFINED IN REGULATION S OF THE REGULATIONS UNDER THE SECURITIES ACT OF 1933.

Sponsor
Belmont Capital.

THE FUND IS NOT REQUIRED TO HAVE A U.S. COMMODITY FUTURES TRADING COMMISSION (“CFTC”) REGISTERED COMMODITY POOL OPERATOR AND CILLIAN HOLDINGS LLC (d/b/a BELMONT CAPITAL) (THE “SPONSOR”), ALTHOUGH CURRENTLY SO REGISTERED, INTENDS TO TREAT THE FUND AS AN EXEMPT POOL PURSUANT TO CFTC RULE 4.13(a)(4). THE SPONSOR’S ELIGIBILITY FOR SUCH REGISTRATION EXEMPTION IS BASED ON THE FACT THAT: (1) THE REDEEMABLE, VOTING PARTICIPATING SHARES (THE “SHARES”) IN THE FUND ARE EXEMPT FROM REGISTRATION UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), AND ARE NOT AND WILL NOT BE MARKETED TO THE PUBLIC IN THE UNITED STATES AS OR IN A VEHICLE FOR TRADING IN THE COMMODITY FUTURES OR COMMODITY OPTIONS MARKETS AND (2) THE FUND’S SHAREHOLDERS ARE LIMITED TO (1) NON-“U.S. PERSONS” AND (2) “ACCREDITED INVESTORS” AND “QUALIFIED PURCHASERS,” AS SUCH TERMS ARE DEFINED IN THE SECURITIES ACT AND THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE “INVESTMENT COMPANY ACT”), RESPECTIVELY. ACCORDINGLY, THE SPONSOR IS NOT REQUIRED TO DELIVER A DISCLOSURE DOCUMENT AND CERTIFIED ANNUAL REPORT TO THE SHAREHOLDERS OF THE FUND. THE SPONSOR WILL, HOWEVER, DELIVER THIS MEMORANDUM AND THE REPORTS DESCRIBED HEREIN.

October 2022

GENERAL INFORMATION

This document has been prepared in connection with an offer of Shares on any Subscription Date at the Subscription Price and may be redeemed on any Redemption Date at the Redemption Price in the manner described below under the sections headed "Subscription for Shares" and "Redemptions of Shares".

The Directors of the Fund, whose names appear under the section headed "The Board of Directors", accept responsibility for the information contained in this Offering Memorandum. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Offering Memorandum is in accordance with the facts and does not omit anything likely to affect the import of such information.

No action has been taken to permit the distribution of this Offering Memorandum in any jurisdiction where action would be required for such purpose. Accordingly, no person receiving a copy of this Offering Memorandum and/or an application form in any territory may treat it as constituting an invitation to him to purchase or subscribe for Shares nor should he in any event use such an application form unless in the relevant territory such an invitation could lawfully be used without compliance with any registration or other legal requirement.

In particular no offer or invitation to subscribe for Shares may be made to the public in the Cayman Islands.

The memorandum and articles of association of the Fund (the "**Articles**") give powers to the Directors to require the redemption of Shares held by any person at any time and for any reason, including the reasons disclosed in this Offering Memorandum.

Any information given or representation made by any dealer, salesman or other person and (in either case) not contained herein should be regarded as unauthorised and, accordingly, should not be relied upon. Neither the delivery of this Offering Memorandum nor the offer, issue or sale of Shares shall, under any circumstances, constitute a representation that the information contained in this Offering Memorandum is correct at any time subsequent to the date of this Offering Memorandum.

Potential subscribers of Shares should inform themselves as to (a) the possible tax consequences, (b) the legal requirements and (c) any foreign exchange restrictions or exchange control requirements which they might encounter under the laws of the countries of their citizenship, residence, incorporation or domicile and which might be relevant to the subscription, holding, or disposal of Shares.

Collas Crill ("Collas Crill"), PO Box 709, Floor 2, Willow House, Cricket Square, Grand Cayman, KY1-1107, Cayman Islands, acts as Cayman Islands legal counsel to the Fund. Collas Crill's responsibility is limited to disclosures of Cayman Islands law in this Offering Memorandum. They accept no responsibility in relation to the veracity or otherwise of any other matters referred to or disclosed herein, as to which independent onshore counsel have not been engaged.

In connection with the Fund's offering of Shares and subsequent advice to the Fund, Collas Crill will not be representing Shareholders. No independent legal counsel has been retained to represent the Shareholders. Collas Crill's representation of the Fund is limited to specific matters as to which it has been consulted by the Fund. There may exist other matters that could have a bearing on the Fund as to which Collas Crill has not been consulted. In addition, Collas Crill does not undertake to monitor compliance by the Sponsor and its affiliates with the investment program, valuation procedures and other guidelines set forth herein, nor does Collas Crill monitor ongoing compliance with applicable laws. In connection with the preparation of this Offering Memorandum, Collas Crill's responsibility is limited to matters of Cayman Islands law and it does not accept responsibility in relation to any other matters referred to or disclosed in this Offering Memorandum. In the course of advising the Fund, there are times

when the interests of Shareholders may differ from those of the Fund. Collas Crill does not represent the Shareholders' interests in resolving these issues. In reviewing this Offering Memorandum, Collas Crill has relied upon information furnished to it by the Fund and has not investigated or verified the accuracy and completeness of information set forth herein concerning the Fund.

SHARES ARE OFFERED ONLY TO NON-U.S. PERSONS AS THAT TERM IS DEFINED IN REGULATION S OF THE REGULATIONS UNDER THE SECURITIES ACT OF 1933. FOR FURTHER INFORMATION SEE THE SUBSCRIPTION DOCUMENTS.

NOTICE TO CAYMAN ISLANDS INVESTORS

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

NOTICE TO RESIDENTS OF THE UNITED KINGDOM

THE FUND IS A COLLECTIVE INVESTMENT SCHEME AS DEFINED IN THE FINANCIAL SERVICES AND MARKETS ACT 2000 (“FSMA”) OF THE UNITED KINGDOM. IT HAS NOT BEEN AUTHORIZED OR OTHERWISE RECOGNIZED OR APPROVED BY THE FINANCIAL CONDUCT AUTHORITY (“FCA”) AND AS A NON-MAINSTREAM POOLED INVESTMENT SCHEME CANNOT BE PROMOTED IN THE UNITED KINGDOM TO THE GENERAL PUBLIC. THE ISSUE OR DISTRIBUTION OF THIS MEMORANDUM IN THE UNITED KINGDOM IS BEING MADE ONLY TO OR DIRECTED ONLY AT, PERSONS WHO ARE (I) INVESTMENT PROFESSIONALS WITHIN THE MEANING OF ARTICLE 19 OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005 (THE “FP ORDER”) OR ARTICLE 14 OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (PROMOTION OF COLLECTIVE INVESTMENT SCHEMES) (EXEMPTIONS) ORDER 2001 (THE “PCISE ORDER”); (II) HIGH NET WORTH COMPANIES AND CERTAIN OTHER ENTITIES FALLING WITHIN ARTICLE 49 OF THE FP ORDER OR ARTICLE 22 OF THE PCISE ORDER; OR (III) ANY OTHER PERSONS TO WHOM THE FUND MAY LAWFULLY BE PROMOTED IN ACCORDANCE WITH SECTION 4.12 OF THE FCA’S CONDUCT OF BUSINESS SOURCEBOOK (THE PERSONS IN (I), (II) AND (III) TOGETHER, THE “RELEVANT PERSONS”).

THIS MEMORANDUM MUST NOT BE ACTED ON OR RELIED ON BY PERSONS WHO ARE NOT RELEVANT PERSONS. ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THIS MEMORANDUM RELATES, INCLUDING THE SHARES, IS AVAILABLE ONLY TO RELEVANT PERSONS AND WILL BE ENGAGED IN ONLY WITH RELEVANT PERSONS. PRIOR TO ACCEPTING AN APPLICATION FROM ANY APPLICANT WHO CLAIMS TO FALL WITHIN ANY OF THE ABOVE CATEGORIES, VERIFIABLE EVIDENCE OF THE APPLICANT’S STATUS MAY BE REQUIRED.

POTENTIAL INVESTORS IN THE UNITED KINGDOM ARE ADVISED THAT ALL OR MOST OF THE PROTECTIONS AFFORDED BY THE UNITED KINGDOM REGULATORY SYSTEM WILL NOT APPLY TO AN INVESTMENT IN THE FUND AND THAT COMPENSATION WILL NOT BE AVAILABLE UNDER THE UNITED KINGDOM FINANCIAL SERVICES COMPENSATION SCHEME.

NOTICE TO RESIDENTS OF HONG KONG

THE SHARES IN THIS OFFERING MAY NOT BE OFFERED OR SOLD IN HONG KONG, BY MEANS OF ANY DOCUMENT, OTHER THAN (I) TO “PROFESSIONAL INVESTORS” AS DEFINED IN THE SECURITIES AND FUTURES ORDINANCE (CAP. 571) OF HONG KONG (THE “SFO”) AND ANY RULES MADE UNDER THE SFO; OR (II) IN OTHER CIRCUMSTANCES WHICH DO NOT RESULT IN THE DOCUMENT BEING A

“PROSPECTUS” AS DEFINED IN THE COMPANIES ORDINANCE (CAP. 32) OF HONG KONG OR WHICH DO NOT CONSTITUTE AN OFFER OR AN INVITATION TO THE PUBLIC WITHIN THE MEANING OF THE SFO. NO ADVERTISEMENT, INVITATION OR DOCUMENT RELATING TO THE SHARES MAY BE ISSUED WHETHER IN HONG KONG OR ELSEWHERE, WHICH IS DIRECTED AT, OR THE CONTENTS OF WHICH ARE LIKELY TO BE ACCESSED OR READ BY, THE PUBLIC OF HONG KONG (EXCEPT TO A PERSON TO WHOM THIS MEMORANDUM HAS BEEN ISSUED BY OR ON BEHALF OF THE SPONSOR) OTHER THAN WITH RESPECT TO THE SHARES WHICH ARE OR ARE INTENDED TO BE DISPOSED OF ONLY TO PERSONS OUTSIDE HONG KONG OR ONLY TO “PROFESSIONAL INVESTORS.”

NOTICE TO RESIDENTS OF SINGAPORE

THIS MEMORANDUM HAS NOT BEEN REGISTERED AND WILL NOT BE REGISTERED AS A PROSPECTUS WITH THE MONETARY AUTHORITY OF SINGAPORE (“MAS”), AND THE FUND IS NOT AUTHORIZED OR RECOGNIZED BY THE MAS. ACCORDINGLY THIS MEMORANDUM AND ANY OTHER DOCUMENT OR MATERIAL IN CONNECTION WITH THE OFFER OR SALE, OR INVITATION FOR SUBSCRIPTION OR PURCHASE, OF SHARES MAY NOT BE CIRCULATED OR DISTRIBUTED, NOR MAY SHARES BE OFFERED AND SOLD, OR BE MADE THE SUBJECT OF AN INVITATION FOR SUBSCRIPTION OR PURCHASE, WHETHER DIRECTLY OR INDIRECTLY, TO THE PUBLIC OR ANY MEMBER OF THE PUBLIC IN SINGAPORE UNLESS PERMITTED UNDER ANY APPLICABLE EXEMPTION. THE FUND INTENDS TO OFFER ITS SHARES TO PROSPECTIVE INVESTORS IN SINGAPORE UNDER A “SAFE HARBOR” PURSUANT TO WHICH OFFERS TO SUBSCRIBE FOR SHARES MADE TO RESIDENTS OF SINGAPORE WILL ONLY BE MADE TO INVESTORS WHO ARE “ACCREDITED INVESTORS” AS DEFINED IN CHAPTER 289 OF THE SECURITIES AND FUTURES ACT (THE “SFA”). MOREOVER, THIS MEMORANDUM IS NOT A PROSPECTUS AS DEFINED IN THE SFA. ACCORDINGLY, STATUTORY LIABILITY UNDER THE SFA IN RELATION TO THE CONTENT OF PROSPECTUSES WOULD NOT APPLY. INVESTORS SHOULD CONSIDER CAREFULLY WHETHER THE INVESTMENT IS SUITABLE IN LIGHT OF THEIR OWN PERSONAL CIRCUMSTANCES.

BY ACCEPTING THIS MEMORANDUM, THE RECIPIENT HEREOF REPRESENTS AND WARRANTS THAT HE IS ENTITLED TO RECEIVE THIS MEMORANDUM IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH ABOVE AND AGREES TO BE BOUND BY THE LIMITATIONS CONTAINED HEREIN. ANY FAILURE TO COMPLY WITH THESE LIMITATIONS MAY CONSTITUTE A VIOLATION OF LAW.

NOTES TO RESIDENTS OF MAURITIUS

THE FUND HAS BEEN RECOGNIZED BY THE FINANCIAL SERVICES COMMISSION (“FSC”) FOR PROMOTION TO RESIDENTS OF MAURITIUS. THIS RECOGNITION DOES NOT IMPLY REGULATORY AND SUPERVISORY PURVIEW BY THE FSC AND DOES NOT VOUCH FOR THE FINANCIAL SOUNDNESS OF THE FUND OR THE CORRECTNESS OF ANY STATEMENTS MADE OR OPINIONS EXPRESSED WITH REGARD TO IT. INVESTORS IN THE FUND ARE NOT PROTECTED BY ANY STATUTORY COMPENSATION ARRANGEMENTS IN MAURITIUS IN THE EVENT OF THE FUND’S FAILURE.

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All references to “\$” or “dollars” herein are to U.S. dollars.

SUMMARY OF TERMS

The following summary is qualified in its entirety by the more detailed information set forth elsewhere in this Confidential Offering Memorandum (the “Memorandum”) and, by the terms of the Memorandum and Articles of Association (the “Articles”) of Belmont Global Trend Fund Ltd (the “Fund”). Terms used but not defined in this Memorandum will have the meanings set forth in the Articles.

This Memorandum and the Articles are important documents and should be read in their entirety, before an investor decides whether to subscribe for Shares of the Fund. Each investor should consult with independent financial, legal and/or tax advisors, as needed, before making any investment decision.

THE FUND

APM - Global Trend Fund Ltd. was incorporated as a Cayman Islands exempted company on 10 December 2009, and began using the trading name Altegris Global Trend Fund, Ltd. in November of 2010, and began using a further changed trading name of Belmont Global Trend Fund, Ltd in May of 2012. The name was formally changed to Belmont Global Trend Fund Ltd in February 2019.

SPONSOR

The sponsor of the Fund is Cillian Holdings LLC, trading as Belmont Capital (the “**Sponsor**” or “**Belmont Capital**”). The Sponsor is a New York registered limited liability company. The Sponsor is registered as a commodity pool operator (“**CPO**”) and a Commodity Trading Adviser (“**CTA**”) with the U.S. Commodity Futures Trading Commission (“**CFTC**”) and is a member of the National Futures Association (“**NFA**”). The Sponsor is also registered as a Broker Dealer with the U.S. Securities and Exchange Commission (“**SEC**”) and is a member of The Financial Industry Regulatory Authority (“**FINRA**”).

INVESTMENT STRATEGY

The Fund will invest in a managed account with the trading approach managed professionally by a trading advisor retained by the Fund to exercise their judgment, experience and knowledge of the technical factors affecting various commodity and other markets with the aim of identifying optimal trading opportunities (“**Managed Account**”). The investment strategy is supplemented by the investment of up to a maximum of 90% of the Fund’s assets, surplus to the management of the margin requirements of the Managed Account, in Class C Shares of another mutual fund managed by the Sponsor, Belmont Multi-Strategy Fund Ltd (“**BMS Fund Class C**”), which share class invests solely in Millennium Management, Ltd. (“**Millennium Fund**”), a longstanding mutual fund with diversified trading strategies.

MANAGED ACCOUNT MANAGEMENT

Eckhardt Trading Company LLC (“**ETC**”), an Illinois corporation formed in May 1992, has been appointed by the Fund and the Sponsor as trading advisor to the Managed Account (“**Trading Advisor**”).

INVESTMENT OBJECTIVE AND TRADING PROGRAM

The investment objective of the Fund, through its investment of its assets in the Managed Account, supplemented by the diversified investment via the BMS Fund Class C into the Millennium Fund, is to produce long term capital appreciation through growth and not current income. The Managed Account speculatively trade futures contracts on U.S. and non-U.S. exchanges. In addition, the Managed Account may trade options on futures, forward contracts in metals traded on the London Metal Exchange and EFPs in currencies (collectively, the "**Commodity Interests**"). The exact nature of ETC's methods is proprietary and confidential. **There can be no assurance that the Fund, the Managed Account or the BMS Fund Class C will achieve their investment objectives or avoid substantial (or total) losses.**

Investment in the Managed Account, and thus investment in the Fund, involves significant risks, including that there is no assurance that ETC's trading strategies will result in profitable trading, avoid losses or achieve the investment objectives of the Managed Account. There can be no assurance that an investor will not lose a portion or all of its investment in the Fund.

The Sponsor has negotiated the Managed Account with ETC in order to give the Fund direct access to ETC's trading strategies. *For a more detailed description of ETC, please see the heading, "ETC".*

OFFERING OF SHARES

Redeemable, voting Shares (the "Shares") are offered by the Fund to non-U.S. investors as defined in Rule 9.01 in Regulation S under the U.S. Securities Act of 1933, as amended (the "Securities Act"). Shares will be offered only to qualified investors. See the Subscription Documents. Accepted subscribers will be admitted to the Fund as "Shareholders" as of the beginning of each month or at such other times as the Directors, in their sole discretion, may determine (the "Subscription Date").

Shares are offered at the prevailing net asset value per Share as calculated on the last business day of each month (the "Valuation Date") on each day on which the Directors determined to issue Shares subject to the minimum subscription. Shares will be issued on each Subscription Date.

The Fund has been registered as a mutual fund pursuant to section 4 1(b) of the Mutual Funds Act (Revised) of the Cayman Islands, and has its principal office at the office of Bolder Fund Services (Cayman) Limited in the Cayman Islands.

SUBSCRIPTION FOR SHARES

The Fund is currently offering two Classes of Shares, Class A Shares and Class B Shares. The minimum initial subscription for Class A Shares is \$10,000 and the minimum initial subscription for Class B Shares is \$1,000,000, in each case subject to the discretion of the Directors to accept lesser amounts. Subsequent subscriptions for Class A Shares may be made for a minimum of \$3,000, and subsequent subscriptions for Class B Shares may be made for a minimum of \$50,000, in each case subject to the discretion of the Directors to accept lesser amounts. Investors domiciled in the Isle of Man are subject to a minimum initial and subsequent subscription for Class B Shares of \$10,000. Subscriptions for Shares may be accepted or rejected, in whole or in part, in the sole discretion of the Directors, and the Directors in their discretion may also suspend the Fund's acceptance of subscriptions at any time in accordance with the terms of this Memorandum.

The Directors, in their discretion and without limitation, except as otherwise provided in the Articles, may cause the Fund to issue other Classes or Series of Shares different from Class A Shares and Class B Shares in terms of sponsor fees, redemption rights, voting rights, amounts of expenses allocable to such additional Classes or Series of Shares which may be denominated in different currencies and/or other terms.

SUBSCRIPTION PROCEDURE

In order to subscribe for Shares, a subscriber must (i) complete, execute and deliver to the Fund the Subscription Agreement ("**Subscription Agreement**") and (ii) pay the full amount of the subscription by wire transfer in accordance with the instructions in the Subscription Agreement. Shares will generally be issued on the first business day of each month or at such other times as the Directors may determine.

Persons interested in subscribing for Shares will be furnished a Subscription Agreement and application form, and will be required to complete, execute and return these documents to the Administrator (as defined herein). Applicants for Shares must send their properly completed irrevocable application form (together with any required additional documentation) by fax or email to the Administrator so as to be received by close of business at least one (1) Business Day prior to the relevant Subscription Date, as the case may be, and so that cleared funds in the relevant currency are received by the same time. If these conditions are not satisfied, then the application may be held over until the first Subscription Date following satisfaction of these conditions.

For a more detailed description of the subscription procedures, please see the heading, "Subscription Procedures".

SUBSCRIPTION FEE

The Fund reserves the right to charge a subscription fee of up to 5% of the amount subscribed and to pay such charge to Selling Agents (as defined herein) or other intermediaries (the "**Subscription Fee**"). The net amount will then be applied in subscribing for Shares.

ELIGIBILITY

An offer and sale of Shares will be made only to a prospective investor who is a non-U.S. person as defined in Rule 9.01 in Regulation S under the Securities Act and is deemed a "qualified eligible person" under CFTC Regulation 4.7.

An investment in the Fund is suitable only for persons who have adequate means of providing for their current needs and personal contingencies and have no need for liquidity in their investments. An investment in the Fund should not be made by any person who (i) cannot afford a total loss of principal, or (ii) has not (either alone or in conjunction with a financial advisor) carefully read, or does not understand, this Memorandum, including (but not limited to) the portions concerning the risks and the income tax consequences of an investment in the Fund.

The Directors, in their sole discretion, may decline to admit any subscriber for any reason, in whole or in part. *See "Suitability, Investment Requirements and Offering of Shares" in this Memorandum.*

DISTRIBUTION FEE AND SPONSOR FEE

The Fund will pay a distribution fee (the "**Distribution Fee**") and a sponsor fee (the "**Sponsor Fee**") with respect to the Class A Shares and a Sponsor Fee with respect to the Class B Shares.

The Fund will pay a Distribution Fee to certain intermediaries engaged by the Sponsor to offer Shares to potential investors (each, a "**Selling Agent**"). The Distribution Fee will be paid monthly in arrears as follows:

Each Class A Shareholder will be charged a Distribution Fee equal to 0.083% of the average aggregate month-end Net Asset Values of each Class A Shares held by such Shareholder that remain outstanding during the month (*a 1.0% annual rate*).

The holders of Class B Shares will not be charged a Distribution Fee.

The Fund will pay a sponsor fee (the "**Sponsor Fee**") to the Sponsor. The Sponsor Fee will be paid monthly in arrears as follows:

Each Class A Shareholder will be charged a Sponsor Fee equal to 0.125% of the average aggregate month-end Net Asset Values of each Class A Share held by such Shareholder that remain

outstanding during the month (*a 1.5% annual rate*).

Each Class B Shareholder will be charged a Sponsor Fee equal to 0.083% of the average aggregate month-end Net Asset Values of each Class B Share held by such Shareholder that remain outstanding during the month (**a 1.00% annual rate**).

All Subscription Fees and Distribution Fees paid by the Fund in respect of Class A Shares are paid to Belmont CAC Limited, a Republic of Ireland corporation which is an affiliate, through common share ownership, of Belmont Capital. Belmont CAC Limited may pay all or some of these fees to Selling Agents who introduce subscribers to the Fund.

**MANAGED ACCOUNT
MANAGEMENT FEE**

The Fund will pay a fixed percentage monthly management fee to the Trading Advisor in an amount equal to 0.083% of the "Account Equity" of the Managed Account held by the Fund at such time (**a 1.00% annual rate**) ("**Account Management Fee**"). "Account Equity" is defined as the Managed Account's total assets less total liabilities, to be determined on the basis of generally accepted accounting principles, including the sum of all cash, U.S. Government obligations or other securities at market value, accrued interest receivable, and the current market value of all open commodity positions, as indicated by the settlement prices determined by the exchanges on which such positions are maintained and any other funds which the Fund has stated is subject to ETC's trading discretion but have not been deposited in the Managed Account, e.g. committed funds or notional equity. Each Shareholder of the Fund, regardless of the Class or Series of Shares, will pay its allocable pro rata share of the Management Fee.

MILLENNIUM FUND FEES

As a holder of shares in the Millennium Fund, via the BMS Fund Class C, the Fund will bear its pro rata share of any and all monthly management fees and performance or incentive fees charged by the Millennium Fund. Each Shareholder of the Fund, regardless of the Class or Series of Shares, will pay its allocable pro rata share of such fees.

**ORGANIZATIONAL
EXPENSES**

The Fund's organizational and initial offering costs and expenses were borne by the Sponsor's predecessor, Altegris Portfolio Management, Inc.

OPERATING EXPENSES

The Fund pays all of its operating, legal, accounting, auditing, administration, clerical, marketing, presentations, expenses of the continuing offering of Shares and other such related expenses as incurred and any extraordinary expenses.

The Sponsor in its discretion may determine to bear the *pro rata* portion of the Fund's operational expenses attributable to certain Classes or Series of Shares. With effect from the date of this Offering Memorandum there is no expenses cap operated by the

MANAGED ACCOUNT INCENTIVE FEE

Sponsor.

The Fund will pay to the Trading Advisor an incentive fee, accrued monthly and calculated and billed quarterly, in the amount of 20% of the Trading Profits, if any, in the Managed Account (“**Managed Account Incentive Fee**”).

"Trading Profits" (for purposes of calculating incentive fees paid by the Fund to ETC only) during a calendar quarter means cumulative realized and change in unrealized profits and losses during the quarter which result from ETC's trading (over and above the aggregate of previous period profits as of the end of any prior quarter) less brokerage commissions and fees, the management fees payable to ETC by the Fund. Interest income shall not be included in calculating Trading Profits.

The Fund will not differentiate Shareholders investing at different times or making multiple investments for the purpose of determining which Shareholders are subject to the Managed Account Incentive Fee. Accordingly, each Shareholder of the Fund, regardless of Class or Series and regardless of individual experience as an investor in the Fund, will bear a pro rata share of any Managed Account Incentive Fee incurred by the Fund in the Managed Account.

RISKS

An investment in the Fund, and the Fund's investment in the Managed Account and the Millennium Fund via the BMS Fund Class C, are speculative and involve substantial risks, including the risk of loss of a Shareholder's entire investment. These risks also include, but are not limited to, the speculative nature of trading in securities and the substantial charges which the Fund, the Managed Account and the Millennium Fund will incur, regardless of whether any profits are earned. There can be no assurance that the Fund's or the Managed Account's or the Millennium Fund's investment objective will be achieved, and investment results may vary from year to year.

The low margin deposits normally required in trading Commodity Interests permit an extremely high degree of leverage. Accordingly, a relatively small price movement in a Commodity Interest may result in an immediate and substantial loss to the investor. For example, if at the time of purchase 5% of the price of a futures contract is deposited as margin, a 5% decrease in the price of the futures contract would, if the contract were then closed out, result in a total loss of the margin deposit (brokerage commission expense would also be incurred). Like other leveraged investments, any Commodity Interest trade may result in losses in excess of the amount invested.

See the “Risk Factors” sections of this Memorandum

CONFLICTS OF INTEREST

Significant actual and potential conflicts of interest exist in the structure and operation of the Fund. *See “Conflicts of Interest” in this Memorandum.*

SELLING AGENTS AND CONTINUING COMPENSATION

The Shares in the Fund will be offered through certain intermediaries engaged by the Sponsor to offer Shares to potential investors (each, a "**Selling Agent**").

Each month, the Fund will pay the Distribution Fee as described above to each Selling Agent (as applicable), together with any Subscription Fee payable by a prospective shareholder. A Selling Agent may remit a portion of the Distribution Fee payable by the Fund to other Selling Agents.

REDEMPTION OF SHARES

A Shareholder may redeem some or all of its Shares of the Fund, as of the close of business on the first business day of each month following a Valuation Date or at such other times as the Directors may determine (each such day, a "**Redemption Date**"). A Shareholder wishing to redeem some or all of its Shares from the Fund must provide written notice, by fax or email, to the Administrator at least fifteen days prior to a Redemption Date, or at such other times and upon such terms and conditions as the Directors, in their discretion, will determine with respect to any Redemption Date.

Shares will be redeemed at the Redemption Price on the Redemption Date, less any applicable fees or charges. The Redemption Price will be an amount equal to the Net Asset Value per Share of the relevant Class and/or Series calculated on the Valuation Date immediately preceding the Redemption Date. The Directors may establish reserves or holdbacks for estimated accrued expenses, liabilities and contingencies (even if such reserves or holdbacks are not otherwise required by generally accepted accounting principles) which could reduce the amount of a distribution upon redemption.

Where Shares have been acquired on more than one date, they will be redeemed on a "first in, first out" basis. Payment of redemption proceeds may be withheld or delayed if information required to satisfy verification of identity checks is not provided in a timely manner.

Redemption requests are irrevocable unless the Directors otherwise determine, or if there is a suspension of the calculation of the Net Asset Value or the redemption of Shares of the relevant Class and/or Series. In the event of a suspension of the calculation of the Net Asset Value or the redemption of Shares of the relevant Class and/or Series, the right of a Shareholder to have its Shares redeemed may be suspended and during the period of suspension the Shareholder may withdraw its redemption request. Any

withdrawal of the redemption request shall be made in writing and shall only be effective if actually received by the Fund before the termination of the suspension. If the redemption request is not withdrawn, any Shares the redemption of which has been suspended shall be redeemed once the suspension has ended at the Redemption Price for Shares of the relevant Class and/or Series applicable on the next Redemption Date following the end of the suspension.

Shares will be treated as having been redeemed with effect from the relevant Redemption Date irrespective of whether or not a Shareholder has been removed from the 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 with respect to Shares being redeemed (including any right to receive notice of, attend or vote at any separate Class meeting) 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 Shareholders will be treated as creditors of the Fund with respect to the Redemption Price and will rank accordingly in the priority of the Fund's creditors.

Redemption proceeds will generally be made within fifteen (15) business days after the Redemption Date, except that under special circumstances, including but not limited to ETC's (in respect of the Managed Account) inability to liquidate commodity positions as of the Redemption Date, or default or delay in payments due to the Managed Account from commodity brokers, banks, commodity pools or other persons, the Fund may in turn delay payment to Shareholders requesting redemption of Shares of the proportionate part of the Net Asset Value of the Shares equal to that proportionate part of the Fund's Net Asset Value represented by the sums which are the subject of such default or delay.

The Fund will not pay interest on redemption proceeds. In certain circumstances, the Fund may suspend payments of any redemption proceeds until as soon as it is practicable for the Fund to make such payments.

CALCULATION OF NET ASSET VALUE

The Net Asset Value of the Fund will be equal to its total assets less its total liabilities as of the date of determination.

The Net Asset Value per Share is determined by first allocating any increase or decrease in the gross Net Asset Value of the Fund (the Net Asset Value of the Fund prior to deduction of Management Fees and Managed Account Incentive Fees after the deduction of the applicable Distribution Fees and/or Sponsor Fees) for a monthly period among the Class or Classes of Shares pro rata in accordance

with the Net Asset Value of each Class at the beginning of the monthly period, then after deduction of the Management Fee determined with respect to the particular Class of Shares among each Series of Shares within a Class pro rata in accordance with the Net Asset Value of each Series at the beginning of the monthly period and then after deduction of the Managed Account Incentive Fee determined with respect to the particular Series of Shares dividing the Net Asset Value of each Series by the number of outstanding Shares therein and, in the case of any Class of Shares denominated in a currency other than US Dollars, after taking account of any costs, gains or losses resulting from hedging transactions undertaken with respect to the particular Class of Shares, among each Series of Shares within a Class pro rata in accordance with the Net Asset Value of each Series at the beginning of the monthly period and then after deduction of the Managed Account Incentive Fee determined with respect to the particular Series of Shares dividing the Net Asset Value of each Series by the number of outstanding Shares therein.

For the avoidance of doubt, (a) any increase or decrease attributable to the currency hedge for the benefit of Shares denominated in a currency other than US Dollars will only be allocated to such Shares.

LIMITS ON REDEMPTIONS

With a view to protecting the interests of Shareholders, the Directors may postpone or suspend certain redemption rights and also limit the number of Shares which are redeemed on any Redemption Date if it is in the best interests of the Fund to do so. In addition, the Directors may cause the Fund to redeem some or all of a Shareholder's Shares at any time upon at least 48 hours' prior written notice.

See the "Fund Limits on Redemptions and Liquidity" sections of this Memorandum.

DIVIDENDS

The Fund may, but does not intend to, declare dividends.

REPORTS

Shareholders will generally receive unaudited account statements monthly (or at such other intervals as the Board of Directors or Sponsor may determine), and will receive audited reports annually within 180 days after the end of the fiscal year (or as soon as practicable thereafter).

FISCAL YEAR

The Fund's "**Fiscal Year**" is the calendar year, and its fiscal year-end is December 31 of each year.

ADMINISTRATOR

Bolder Fund Services (Cayman) Limited (the "**Administrator**") has been engaged to provide administrative services to the Fund. Bolder Fund Services (Cayman) Limited has been engaged to provide the principal registered office. The Administrator will be paid customary fees for the services it provides to the Fund.

BANKER

The Northern Trust International Banking Corporation have been appointed by the Fund as its corporate banker.

PRIME BROKER

ADM Investor Services, Inc (the “**Prime Broker**”) has been engaged as the prime broker to the Fund in respect of the Managed Account. The Prime Broker will be paid customary fees for the services it provides to the Fund. See the detailed explanation of the role and fees of the Prime Broker in the description of the “Investment Strategy” in this Memorandum.

AUDITORS

The Fund has selected KPMG to serve as the independent auditors of the Fund.

**CAYMAN ISLANDS COUNSEL
TO THE FUND**

Collas Crill, Cayman Islands, serves as Cayman Islands legal counsel to the Fund. Collas Crill does not represent the Shareholders or any of them.

DIRECTORY

See Appendix A to this Memorandum for a directory of contact information and service providers to the Fund.

THE SPONSOR

The Fund's sponsor is Cillian Holdings LLC, trading as Belmont Capital (the "**Sponsor**" or "**Belmont Capital**"). The Sponsor is a New York registered limited liability company. The Sponsor also is registered as a CPO and CTA with the CFTC and is a member of the NFTA. Belmont Capital's affiliated company is Belmont CAC Limited, trading as Belmont Investments, which is a Republic of Ireland corporation registered with the Companies Office and regulated by the Financial Regulator in Ireland as a Multi-Agency Intermediary ("Belmont Investments"). The principal of the Sponsor is Jeremy O'Friel and the principals of Belmont Investments are Jeremy O'Friel, James O'Friel and Daniel Beaton.

Jeremy O'Friel is the Founder & Managing Director of Belmont Investments. Prior to founding Belmont Capital, Jeremy was a Director & Principal of Appleton Capital Management, a Commodity Trading Advisor with a particular focus on the foreign exchange markets. He joined Appleton in 1996, initially on the trading desk, before moving into a business development role for the firm. After establishing the New York office in 2000, he was appointed Director of Sales & Marketing in 2001 and from that point onwards was entirely responsible for Appleton's global business development and client management strategy and execution. In 2002, Jeremy was part of the management team that conducted a buyout of the firm from the Appleton Group of South Africa. Having grown the firm to over \$350m in assets under management, he left in June 2009 in order to found Belmont and to provide a broader range of alternative investment opportunities. At this time, he also sold back his equity stake in the company. Jeremy is an active participant in the alternative investment community and has served on both the Communications and International Committees of the Managed Funds Association. The MFA is an industry group based in Washington that seeks to promote understanding of managed futures and hedge fund strategies. He has also spoken at conferences organised by the MFA, MAR and many other forums for discussion of alternative investments generally, as well as having been quoted in a wide range of financial media. Jeremy holds a Bachelor of Commerce degree from University College Dublin, as well as a Masters in Business from the same university, which he completed in 1993. He also holds the Chartered Financial Analyst designation, having completed the syllabus between 1999 and 2001, as well as the Series 3, 7, 24 and 30.

James O'Friel has been involved in the administration of alternative investment funds since 2003. Since 2006, he has been employed as a Fund Accountant with Citco Fund Services in Dublin where he has responsibility for the pricing and reporting on a wide range of investment funds, both alternative and traditional. In this role, he has become deeply knowledgeable on a range of international standards, including GAAP and IFRS. His work also involves liaison with external auditors, internal compliance, legal and accounting to ensure the effective valuation and communication of such with clients. Prior to joining Citco, James was employed by SEI Investments, also in Dublin, where he supervised a hedge fund accounting team. As well as being a qualified ACCA accountant, he also was awarded a Diploma in Mutual Funds from the Institute of Commercial Management in 2003. James graduated from De Montfort University in the United Kingdom in 2002 with a Bachelors Degree in Mechanical Engineering.

Daniel Beaton has more than 15 years of experience as a professional in the US securities industry in the fields of financial management, compliance and operations. He is the owner and operator of FINOP Consulting, a financial and operations principal outsourcing firm. In this capacity, Dan consults to over 35 Broker-Dealers specialising in municipal security underwriting, institutional equity trading, mergers and acquisitions and private placements. The firm assists its clients in meeting the regulatory demands of FINRA and the SEC. Prior to founding FINOP Consulting, Dan was a partner and Chief Financial Officer of Alpha Equity Research, an institutional equity research Broker-Dealer. During this time, he was also Chief Operating Officer with their affiliated Registered Investment Advisor. Dan graduated Magna Cum

Laude from the University of New Hampshire's Whittemore School of Business with a Degree in Accounting & Finance, and holds his Series 27, 28, 7, 63, 24 and 99.

Other Funds and Commodity Pools Operated by the Sponsor. Belmont Capital acts as a sponsor or general partner or manager of six other funds and commodity pools, in addition to the Fund, and intends to sponsor additional funds and/or commodity pools in the future.

The Fund has entered into a sponsor agreement with the Sponsor (the “**Sponsor Agreement**”). Pursuant to the Sponsor Agreement, the Sponsor will cause the Fund to invest substantially all of its assets in the Underlying Fund. The term of the Sponsor Agreement will continue until the Fund is wound up and any effort to terminate the Sponsor Agreement without the consent of the Sponsor will cause the Fund to be wound up in accordance with the Articles.

Pursuant to the Sponsor Agreement, the Fund will indemnify the Sponsor, its principals and affiliates, and their respective members, officers, employees and agents (“**Sponsor Parties**”) against all expenses, including legal fees, and against all judgments, fines and amounts paid in settlement and reasonably incurred in connection with any actual or threatened legal, administrative or investigative proceedings, other than any liability to which a Sponsor Party would otherwise be subject by reason of fraud, reckless or intentional misconduct or criminal wrongdoing in the performance of its obligation and duties under the Sponsor Agreement or by breach of the Sponsor Agreement. In addition, the Sponsor Parties will not incur any individual liability or responsibility for any determination made, advice given or other action taken or omitted by it in good faith with respect to the determination of the value of the assets of the Fund or for any taxes payable by the Fund. The Sponsor Parties will not be liable to the Fund for failure to obtain the lowest negotiated brokerage commission rates, to combine or arrange orders so as to obtain the lowest brokerage commission rates or for failure to recapture any brokerage commissions for the benefit of the Fund. Moreover, the Sponsor Parties will not be liable for any claims or losses due to circumstances beyond their control, such as the bankruptcy, insolvency or suspension of normal business activities of a bank, brokerage firm or transfer agent or due to the actions or omissions of an employee, broker, agent or sub-contractor of the Fund chosen by a Sponsor Party in good faith.

Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Fund in advance of the final disposition of the action, suit or proceeding upon receipt of an undertaking by or on behalf of the Sponsor Party subject to such action, suit or proceeding to repay that amount, unless it is ultimately determined that the Sponsor Party is entitled to be indemnified by the Fund.

Past performance is not necessarily indicative of future performance. The Sponsor has not made any undertaking to engage in ongoing due diligence or to monitor the Managed Account on an ongoing basis. Shareholders must invest in the Fund based on their own evaluation of the information contained in this Memorandum.

THE BOARD OF DIRECTORS

The Board of Directors of the Fund consists of Jeremy O’Friel and Graham May. The biographies for the Directors are set forth above in respect of Jeremy O’Friel and below in respect of Graham May. A Director of the Fund may be removed by Shareholders by simple majority vote. The Board of Directors may appoint an additional Director by simple majority vote.

Jeremy O’Friel (see biography under the description of the Sponsor)

Graham May is a qualified lawyer, admitted as a solicitor in 1979 following a law degree at Cambridge University and two years of articles with a Manchester firm of solicitors, George Davies & Co. He is

conversant with all areas of law, with an initial background in commercial property transactions for the London Legal Department of the National Coal Board Pension Schemes. Graham's international experience included 7 years practising as an attorney-at-law in the Cayman Islands in the areas of banking, insurance, trusts and mutual funds. Since 1989 he has acted as a lawyer and manager in the U.K. financial services industry, first with currency fund managers, Gaiacorp U.K., and then as Managing Director of that group's London subsidiary, renamed Titan Capital Management, where he was instrumental in developing the worldwide investment management business. Having co-ordinated the sale of Titan in 2002 – 2003, he set up Mottram Partners, a legal, accounting and compliance subsidiary of a plc. Following the break-up of the plc, he continued the business of advising plc's and private companies in all aspects of accounting and corporate/company secretarial procedures, and is now an advisor to Hawksmoor Partners, a consultant to hedge fund groups. He is also currently a practising consultant solicitor with City-based Charterhouse Law Solicitors.

ECKHARDT TRADING COMPANY (ETC)

Eckhardt Trading Company (ETC), an Illinois corporation formed in May 1992, became registered as a CTA and CPO and member of the NFA in June 1992. ETC succeeded to the business formerly conducted by William Eckhardt who was individually registered as a CTA and CPO and member of the NFA from June 1991 until his registration was changed over to ETC in June 1992.

William Eckhardt is the Chairman, CEO and sole shareholder (as trustee of his revocable trust) of ETC; John D. Fornengo is President. ETC's business office is located at 1314 North Dearborn Parkway, Carriage House, Chicago, IL 60610. The telephone, facsimile and email address are (312) 787-1107, (312) 787-1117 and eckhardt@galeinvest.com. Certain trading records of ETC are maintained at its trading office located at 300 South Wacker Drive, Suite 1080, Chicago, IL 60606.

ETC employs Gale Investment Services ("GIS") to provide or oversee various business related administrative functions including client services, accounting, compliance and marketing. The address of GIS is the same as ETC. The telephone and facsimile are 312-787-1111 and 312-787-1117, respectively.

ETC's principals and/or ETC are invested in Eckhardt Futures Limited Partnership and Eckhardt Standard Master Fund, L.P., two limited partnerships for which ETC acts as the CTA, CPO and general partner. ETC and its trading principals (Messrs. Eckhardt and Fornengo) may also trade for their own accounts. Records of such trading are not open to Limited Partner inspection due to their proprietary nature.

While there have been no material administrative, civil, or criminal proceedings pending, on appeal or concluded against ETC or its principals at any time, ETC voluntarily agreed, without admitting or denying any allegations, to a settlement with the New York Mercantile Exchange (NYMEX) Business Conduct Committee relating to NYMEX Rule 562. The Rule provides that any positions held in excess of those permitted under the rules of NYMEX will be deemed position limit violations regardless of whether there is any intent to violate the position limit. This settlement relates to ETC's maintenance, on behalf of its clients, of a long Natural Gas position in excess of the applicable spot month position limit on May 24, 2011. This settlement included a payment to NYMEX of a \$25,000 fine. ETC clients did not bear any portion of this obligation or any costs related to the resolution of this matter.

PRINCIPALS' BACKGROUND

William Eckhardt has traded futures professionally for over 36 years. He holds a B.A. in Mathematics from DePaul University and a M.S. in Mathematics from the University of Chicago. In 1974, after four years of doctoral research in Mathematical Logic at the University of Chicago, he began trading for his

own account at the Mid America Commodity Exchange. Mr. Eckhardt traded off-floor for his personal account from 1978 through July 1991. In July 1986, he began managing accounts for a small number of friends and business associates and in August 1991 he began managing accounts as a registered CTA.

In conjunction with his trading, over the past 30 years Mr. Eckhardt has conducted extensive research into the nature of futures price action and risk management. He has developed numerous technical trading systems. Along with Richard Dennis, a former CTA and CPO, he co-developed certain trading systems and in 1984 and 1985, subsequently co-taught such systems to a group of individuals that have become known as the “Turtles”. Mr. Eckhardt was an associated person of Mr. Dennis from November 1983 to January 1992.

Mr. Eckhardt was a full member of the Chicago Board of Trade from March 1983 to May 1988 and the Chicago Mercantile Exchange (“CME”) from August 1979 to October 1986 and held other memberships at various other times. He became registered as a floor broker in November 1982 and currently holds a seat at the CME Index and Option Market. From October 1983 to July 1991, Mr. Eckhardt was a partner of C&D Commodities, which was formerly active as an FCM and chiefly involved with clearing partner capital, futures research and trading administration. In 1991, C&D Commodities ceased all business operations and C&D Commodities, Inc. (C&D, Inc.) was established to continue futures research and trading administration activities. Mr. Eckhardt was an officer of C&D, Inc. until August 1997 and, in January 2001, ETC took over the employment of individuals previously employed by C&D, Inc. Mr. Eckhardt has been a principal of ETC since June of 1991 and was registered as a branch manager of ETC from June 1991 to July 1995. Mr. Eckhardt, as Trustee of the William Eckhardt Revocable Trust has been a principal since March 2008.

Mr. Eckhardt directs ETC’s system development and ongoing research, and along with John D. Fornengo, ETC’s president, is responsible for the overall activities of ETC.

Audrey L. Gale, Director of Client Services, Administration, and Business Development, has over 22 years of experience in the managed futures industry. She received a Bachelor of Business degree from Western Illinois University. Ms. Gale has been registered as an associated person and branch office manager of ETC (and William Eckhardt) since the inception of ETC’s business in June 1991, and in July 2011, she became a principal of ETC. She is also the President and sole director and shareholder of Gale Fund Management, Inc., a registered CPO, which serves as a co-general partner and co-CPO of Eckhardt Futures Limited Partnership. Ms. Gale has been registered as a principal and associated person of Gale Fund Management, Inc. since January 1993.

Ms. Gale d/b/a Gale Investment Services, is also a sole proprietor, non-trading CTA, formed in December 1988 to provide client services, marketing and various administrative/business services to certain other commodity trading advisor firms. She holds registrations with two other CTA/CPO firms, Hawksbill Capital Management (“**Hawksbill**”) and Saxon Investment Corporation (“**Saxon**”), independent of ETC. She has been an associated person and branch office manager of Hawksbill since November 1988, and May 1990 respectively, and has been an associated person and branch office manager of Saxon since March 1994.

MANAGED ACCOUNT INVESTMENT STRATEGY

The investment objective of the Fund, through its investment of a substantial part of its assets in the Managed Account, is to produce long term capital appreciation through growth and not current income. Within the Managed Account, ETC will speculatively trade Commodity Interests. The Fund may

invest a proportion of its assets on a short term basis in a loan to another mutual fund under the sponsorship of the Sponsor. There can be no assurance that the Fund or the Managed Account will achieve their investment objectives.

The Sponsor selected ETC to trade for the Managed Account based on its analysis of ETC's past performance history, the portfolio it trades and its principals' backgrounds.

Description of Orders and Order Placement; Brokerage Charges

ETC determines the timing and method by which orders are placed and will place orders for futures contracts with ADM Investor Services, Inc as the Fund's "Broker" for the Managed Account. The Fund will pay brokerage charges based on standard commission rates per round-turn multiplied by the number of round-turn trades, which amount includes other transaction costs. ETC also will select the types of orders placed. Order placement will vary in accordance with the type of market encountered and the type of order that can be used on the exchange or market on which a particular Commodity Interest is traded. The clearing brokers, executing brokers and introducing brokers utilized by the Fund from time to time, including without limitation the Prime Broker, may enter into arrangements with the Sponsor and/or other brokers that may or may not be affiliated with the Sponsor or its principals in respect of rebating or sharing a portion of the commissions and brokerage fees charged.

ETC trades all customer accounts in parallel, making equivalent trades for all accounts and apportioning the number of each Commodity Interest traded ratably among the accounts in a neutral manner based on the capital in each account.

The assets of the Managed Account will be held as initial margin or option premiums (in cash or Treasury securities) in the Fund's brokerage accounts at the Broker, ADM Investor Services, Inc, and available for trading by ETC in Commodity Interests on behalf of the Fund. Interest on the Fund's assets held at the Broker in cash or Treasury securities is credited to the Fund. Depending on market factors, the amount of margin or option premiums held by the Broker could change significantly, and all of the Fund's assets are available for margin. The Fund may also retain other brokers and/or dealers from time to time to clear or execute a portion of Fund trades made by ETC pursuant to the investment program.

Form of Margin Deposits

A customer such as the Fund participating in the Managed Account program of ETC will deposit trading funds directly in a commodity trading account with ADM Investor Services, Inc as the "Broker" to the Fund. ETC will assist the customer in making arrangements so that the Broker invests the funds of the Fund in U.S. Treasuries or pays interest on all or a portion of the Fund's margin funds at a rate which is at or near the prevailing Treasury bill rate. No assurance is given, however, that the Broker will pay interest on customer accounts.

If U.S. Treasuries are purchased for the Fund's account, such Treasuries are utilized as initial margin for commodity interest transaction. All interest income earned on such Treasuries is credited to the Fund's account. Because U.S. Treasuries may not be used as maintenance margin for commodity interest transactions, a small portion of the funds on deposit with the Broker will be maintained as cash.

MILLENNIUM FUND INVESTMENT STRATEGY

The following summary is qualified in its entirety by reference to the more detailed information about the Millennium Fund set forth in its investment memorandum. The Fund will invest part of its assets, via the BMS Fund Class C, in the Millennium Fund. Past performance of the Millennium Fund is not necessarily indicative of the future performance of the Millennium Fund or the Fund.

The investment objective of the Fund, through diversification of its investment of part of its assets in the Millennium Fund, via the BMS Fund Class C, is to contribute to the long term capital appreciation through growth and not current income. The Millennium Fund is authorized directly or indirectly, to invest in all types of securities and instruments of U.S. and non-U.S. issuers and to participate in other potentially profitable opportunities, including without limitation the short selling of securities. The investment objective of the Millennium Fund is to achieve above-average appreciation by opportunistically trading and investing in a wide variety of securities, instruments and other investment opportunities, and engaging in a broad array of trading and investment strategies.

The investment strategy over the assets of the Millennium Fund is vested substantially in Millennium Management LLC, a Delaware limited liability company registered in the Cayman Islands that was formed in 1994.

RISK FACTORS

AN INVESTMENT IN SHARES OF THE FUND INVOLVES A HIGH DEGREE OF RISK AND COULD INVOLVE THE LOSS OF YOUR ENTIRE INVESTMENT. NO GUARANTEE OR REPRESENTATION IS MADE THAT THE FUND WILL ACHIEVE ITS INVESTMENT OBJECTIVES OR AVOID SIGNIFICANT OR TOTAL LOSSES. AN INVESTMENT IN THE FUND IS SPECULATIVE AND INVOLVES CERTAIN CONSIDERATIONS AND RISK FACTORS THAT PROSPECTIVE INVESTORS MUST CONSIDER BEFORE SUBSCRIBING.

AN INVESTMENT IN THE FUND SHOULD BE MADE ONLY AFTER CONSULTATION WITH A PROSPECTIVE SHAREHOLDER'S INDEPENDENT FINANCIAL, LEGAL AND TAX ADVISORS.

Managed Account and Millennium Fund Considerations

As the Fund intends to invest a substantial portion of its assets in the Managed Account and the Millennium Fund, an investment in the Fund involves all of the risks of investing in the Managed Account and the Millennium Fund in addition to those risks particular to the Fund.

Past Performance Is Not Necessarily Indicative of Future Results. There can be no assurance that any trading strategies of ETC or the Millennium Fund will produce profitable results. Because the potential return on the Shares is directly correlated to returns of the Managed Account and the Millennium Fund, the failure of the Managed Account and ETC and the Millennium Fund to produce profitable results, and any losses of the Managed Account or the Millennium Fund, will cause the Fund to fail to produce profitable results and suffer losses. The past performance of the Fund, the Managed Account, ETC, the Millennium Fund and the Sponsor is not necessarily indicative of how they will perform in the future.

Strategy Restrictions; Concentration. The Fund will invest all or substantially all of the proceeds it receives from the sale of the Shares into the Managed Account and the Millennium Fund. The allocation of all of the Fund's assets to single investment managers results in a lack of diversification and therefore increased risk. There can be no assurance that the Managed Account's or the Millennium Fund's strategy will effectively mitigate this risk.

Reliance on the Managed Account. The Fund and Sponsor will depend on ETC and other service providers to the Managed Account, as applicable, for the ongoing operation of the Managed Account, and will receive only such information concerning the Managed Account and its service providers may provide under applicable law. There can be no assurance that such information will be accurate. All reports prepared by the Sponsor, the Administrator or other service providers to the Fund and provided to the Shareholders will generally be based on information received from these service providers, and there can be no assurance that such information will be accurate. Shareholders themselves will have no direct dealings or contractual relationships with the Managed Account, ETC, the Administrator or other service providers to the Managed Account, as applicable.

The success of the Fund in meeting its investment objective depends entirely on the ability of the Managed Account and the Millennium Fund to successfully achieve their respective investment objective.

Substantial Charges to the Fund. The Shareholders will incur, in addition to the operating and other expenses of the Fund described in this Memorandum, an allocable share of the Management Fee,

Managed Account Incentive Fee and other administrative, service and/or brokerage fees, transaction costs and ongoing operating and investment expenses of the Managed Account and also the fees of the Millennium Fund. All of the foregoing fees, costs and expenses to the Fund, which may be substantial, must be offset by profits in order to avoid a decline in the value of the Shares. Prospective investors should be aware that an investment in the Fund could subject a Shareholder to higher overall fees and costs than if such Shareholder were to invest directly in the Managed Account or the Millennium Fund, due to the layering of fees inherent in the Fund's structure.

Valuations; Estimates; Delays. The Fund will issue and redeem Shares on the basis of the relevant "Net Asset Value per Share" calculated using estimated and final valuations (including revisions to prior estimated or final valuations) of the Fund's investment in the Managed Account and the Millennium Fund, as received from ETC, the Sponsor, or other service providers to the Managed Account and the BMS Fund Class C for the Millennium Fund. Significant delays in receipt of estimated or final valuations from the Managed Account and the BMS Fund Class C for the Millennium Fund could impair the Fund's ability to issue and redeem Shares and provide account statements and other reports to Shareholders at the frequencies described in this Memorandum. Any Management Fee or Distribution Fee payable by the Fund, and any Sponsor Fee payable by a Shareholder, will also be calculated directly or indirectly on the basis of estimates of the value of the Fund's investment in the Managed Account and the Millennium Fund. None of such estimates will generally be adjusted to reflect any subsequently revised valuations. There can be no assurance that such estimates will be accurate. See "*Calculation of Net Asset Value*" below for a description of the term "Net Asset Value per Share."

Potential "Misallocation" of Managed Account Incentive Fee. Shareholders will invest in the Fund at different times and will thus recognize different amounts of profits and losses on their investments. However, the Fund will be treated by the Managed Account as a single investor and Shareholder investments in the Fund will not be separately tracked when it calculates the Managed Account Incentive Fee to be allocated to ETC. Accordingly, it is possible for the Fund as a whole to pay the Managed Account Incentive Fee even if certain Shareholders have incurred losses on their investments in the Fund. Similarly, the benefit to existing Shareholders of the recovery of any "loss carryforward" by the Fund at the Managed Account level will be diluted by the admission to the Fund of additional Shareholders.

General Considerations

Potential Loss of Investment. The Fund will be exposed to all the risks involved in the Managed Account's and the Millennium Fund's investments. Effectively, the Fund's investments will only be as diversified as those of the Managed Account and the Millennium Fund in which it invests. There can be no assurance that the Fund or the Managed Account or the Millennium Fund will achieve their objectives or avoid substantial or total losses. An investor could lose all or substantially all of its investment in the Fund.

Absence of Regulation. The Fund will not be registered as an investment company under the Investment Company Act, and accordingly, the provisions of the U.S. Investment Company Act (which among other matters require registered investment companies to have a minimum percentage of disinterested directors and regulate the relationship between the manager and the investment fund) will not apply. Investors, therefore, will not be afforded the protective measures of these laws and regulations.

AIFMD. It is possible that Directive 2011/61/EU of the European Parliament and of the Council of June 8, 2011 on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No 1060/2009 and (EU) No 1095/2010 ("AIFMD") could increase the costs and expenses associated with operating the Fund as well as restrict the Fund from being operated in the manner and on the terms envisioned in this Memorandum. In particular, in the event that the Shares of

the Fund are marketed in a country that is a member of the European Union, the Fund may be required to take significant measures to comply with national rules implementing AIFMD in such country. Compliance with the requirements of AIFMD and marketing rules in the European Union may be costly (e.g., if numerous European Union registrations are required) or could require significant amendments to be made to the structure and operation of the Fund.

Increased Competition in Alternative Asset Investments. In recent years there has been a marked increase in the number of, and flow of capital into, investment vehicles established in order to implement alternative asset investment strategies, including the strategies pursued by the Managed Account and the Millennium Fund. While the precise effect cannot be determined, such increase may result in greater competition for investment opportunities, or may result under certain circumstances in increased price volatility or decreased liquidity with respect to certain positions. Prospective investors should understand that the Fund may compete with other investment vehicles, as well as investment and commercial banking firms, which have substantially greater resources, in terms of financial wherewithal and research staff, than may be available to the Fund.

General Investment Risks. There are at least three principal types of risk that can adversely affect the investment approach of the Managed Account: (1) Market Risk; (2) Strategy Risk; and (3) Manager Risk.

Market risk is common to an entire class of assets such that the value of investments may decline over a given time period simply because of economic changes or other events that impact large portions of the markets.

Strategy risk is associated with the failure or deterioration of an entire strategy (such that most or all investors in that strategy suffer significant losses).

Manager risk relates to the possibility of loss due to manager fraud, intentional or inadvertent deviations from a pre-defined investment strategy (including excessive concentration, directional investing outside of disclosed ranges, excessive leverage or experimentation with new capital markets) or simply poor judgment. Manager risk poses a significant risk of loss to the Fund, as the Fund will invest substantially all of its assets with a single trading manager and in a single trading vehicle, as compared to developing its own diversified portfolio.

No Segregation of Assets. The Fund has the power to issue Shares in Classes, Sub-Classes, Series or Sub-series. The Articles provide for the manner in which the liabilities are to be attributed across the various classes, series and sub-series (liabilities are to be attributed to the specific class, series or sub-series in respect of which the liability was incurred). However, the Fund is a single legal entity. Shareholders of one or more classes, series or sub-series of Shares may be compelled to bear the liabilities incurred in respect of other classes, series or sub-series that such Shareholders do not themselves own if there are insufficient assets in that other class or series to satisfy those liabilities. Accordingly, there is a risk that liabilities of one class, series or sub-series may not be limited to that particular class, series or sub-series and may be required to be paid out of one or more other classes, series or sub-series.

Subscription Monies. 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 Fund'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 Fund from the relevant Subscription Date.

U.S. Dollar Denominated Shares. The Fund and the Managed Account and the Millennium Fund are denominated in U.S. dollars. Consequently, investors whose local currency is not the U.S. dollar will be

subject to exchange rate risk in connection with their investment in the Fund.

GENERAL – MARKET RISKS

Market Disruptions; Governmental Intervention; Dodd-Frank Wall Street Reform and Consumer Protection Act. The global financial markets have in the past few years gone through pervasive and fundamental disruptions that led to extensive and unprecedented governmental intervention. Such intervention was in certain cases implemented on an “emergency” basis, suddenly and substantially eliminating market participants’ ability to continue to implement certain strategies or manage the risk of their outstanding positions. In addition — as one would expect given the complexities of the financial markets and the limited time frame within which governments felt compelled to take action — these interventions were typically unclear in scope and application, resulting in confusion and uncertainty which in itself was detrimental to the efficient functioning of the markets as well as previously successful investment strategies.

The Managed Account and the Millennium Fund, and thus the Fund, may incur major losses in the event of disrupted markets and other extraordinary events in which historical pricing relationships become materially distorted. The risk of loss from pricing distortions is compounded by the fact that in disrupted markets many positions become illiquid, making it difficult or impossible to close out positions against which the markets are moving. The financing available to the Managed Account and the Millennium Fund from banks, dealers and other counterparties is typically reduced in disrupted markets. Such a reduction may result in substantial losses to the Managed Account or the Millennium Fund. Market disruptions may from time to time cause dramatic losses for the Managed Account or the Millennium Fund, and such events can result in otherwise historically low-risk strategies performing with unprecedented volatility and risk.

In response to the recent financial crises, the U.S. Congress enacted sweeping reform of the U.S. financial regulatory system, and the Dodd Frank Wall Street Reform and Consumer Protection Act (the “**Reform Act**”) became law in July 2010. The Reform Act seeks to regulate markets, market participants and financial instruments that previously have been unregulated and substantially alters the regulation of many other markets, market participants and financial instruments. Because many provisions of the Reform Act require rulemaking by the applicable regulators before becoming fully effective and the Reform Act mandates multiple agency reports and studies (which could result in additional legislative or regulatory action), it is difficult to predict the impact of the Reform Act on the Managed Account and ETC and the Millennium Fund and the markets in which they trade and invest. The Reform Act could result in certain investment strategies in which the Managed Account engages or may have otherwise engaged becoming non-viable or non-economic to implement. The Reform Act and regulations adopted pursuant to the Reform Act could have a material adverse impact on the profit potential of the Managed Account and the Millennium Fund and thus the Fund.

Over-the-Counter Derivatives Markets. The Reform Act includes provisions that comprehensively regulate the over-the-counter (“**OTC**”) derivatives markets for the first time. The Reform Act will mandate that a substantial portion of OTC derivatives must be executed in regulated markets and submitted for clearing to regulated clearinghouses. OTC trades submitted for clearing will be subject to minimum initial and variation margin requirements set by the relevant clearinghouse, as well as possible SEC or CFTC mandated margin requirements. The regulators also have broad discretion to impose margin requirements on non-cleared OTC derivatives and new requirements will apply to the holding of customer collateral by OTC derivatives dealers. These requirements may increase the amount of collateral the Managed Account is required to provide and the costs associated with providing it. OTC derivative dealers also will be required to post margin to the clearinghouses through which they clear their

customers' trades instead of using such margin in their operations, as is currently permitted. This will increase the OTC derivative dealers' costs, and these increased costs are expected to be passed through to other market participants in the form of higher upfront and mark-to-market margin, less favorable trade pricing, and the possible imposition of new or increased fees.

The SEC and CFTC may also require a substantial portion of derivative transactions that are currently executed on a bi-lateral basis in the OTC markets to be executed through a regulated securities, futures, or swap exchange or execution facility. Such requirements may make it more difficult and costly for investment funds to enter into highly tailored or customized transactions. They may also render certain strategies in which ETC might otherwise engage impossible or so costly that they will no longer be economical to implement.

The overall impact of the Reform Act on private investment funds is highly uncertain and it is unclear how the OTC derivatives markets will adapt to this new regulatory regime.

General Economic Conditions. The success of any investment activity is affected by general economic conditions that affect the level and volatility of prices as well as the liquidity of the markets. From time to time, the economic viability of an entire strategy may deteriorate, due to general economic events that disrupt the source of profits that the strategy seeks to exploit (for example, by disrupting historical pricing relationships). There may be certain general market conditions in which the investment program pursued by ETC or the Millennium Fund is unlikely to be profitable, and ETC and the Millennium Fund have no ability to control or predict such market conditions.

Commodity Interests Trading Is Speculative. Commodity Interest prices are highly volatile. Price movements for futures contracts, for example, which may fluctuate substantially during a short period of time, are influenced by numerous factors that affect the commodities markets, including, but not limited to: changing supply and demand relationships; government programs and policies; national and international political and economic events and changes in interest rates.

Commodity Interests Trading Is Highly Leveraged. The low margin deposits normally required in trading Commodity Interests permit an extremely high degree of leverage. Accordingly, a relatively small price movement in a Commodity Interest may result in an immediate and substantial loss to the investor. For example, if at the time of purchase 5% of the price of a futures contract is deposited as margin, a 5% decrease in the price of the futures contract would, if the contract were then closed out, result in a total loss of the margin deposit (brokerage commission expense would also be incurred). Like other leveraged investments, any Commodity Interest trade may result in losses in excess of the amount invested. Although the Managed Account may lose more than its initial margin on a trade, the Managed Account may be subject to margin calls.

Commodity Interests Trading May Be Illiquid. Most U.S. commodity futures exchanges impose daily limits regulating the maximum amount above or below the previous day's settlement price which a futures contract price may fluctuate during a single day. During a single trading day no trades may be executed at prices beyond the daily limit. Once the price of a particular futures contract has increased or decreased to the limit point, it may be difficult, costly or impossible to liquidate a position. Futures prices in particular contracts have occasionally moved the daily limit for several consecutive days with little or no trading. If this occurs, the Managed Account might be prevented from promptly liquidating unfavorable positions which could result in substantial losses. Those losses could significantly exceed the margin initially committed to the trades involved. In addition, even if prices have not moved the daily limit, or if there are no limits for the contracts traded by the Managed Account, the Managed Account may not be able to execute trades at favorable prices if little trading in the contracts is taking place. It is

also possible that trading may be suspended in a particular contract, order immediate settlement of a contract or order that trading to the liquidation of open positions only.

Trading Decisions Based on Technical Analysis. The trading decisions made on behalf of the Managed Account will be based in part on trading strategies which utilize mathematical analyses of technical factors relating to past market performance. The buy and sell signals generated by a technical trading strategy may include a study of actual intraday, daily, weekly, and monthly price fluctuations, volume and open interest variations, and other market data and indicators. The profitability of any trading strategy based on this type of historical analysis is determined by the relationship of future price movements to historical prices and indicator values, and the ability of the strategy to adapt to future market conditions. ETC attempts to develop strategies, which will be successful under many possible future scenarios. However, there can be no guarantee that the strategies of ETC will be effective or applicable to future market conditions. In addition, ETC believes that in recent years there has been a substantial increase in the use of technical, trend following trading strategies. Concurrently, however, the overall volume of trading and liquidity of the futures markets has increased markedly. Any increase in the use of technical systems as a proportion of the overall volume of the futures markets as a whole or for particular futures contracts could result in traders attempting to initiate or liquidate substantial positions in a market at or about the same time or otherwise alter historical trading patterns, obscure developing price trends or affect the execution of trades to the detriment of its clients.

Possible Effects of Other Similar Systems. Commodity trading systems which use signals like ETC's are not new. If many traders follow similar systems, these systems may generate similar buy and sell orders at the same time. Depending on the liquidity of a market, this could cause difficulty in executing orders. The Sponsor believes that although there has been an increase in the number of trading systems in recent years, there also has been an increase in the overall trading volume and liquidity in the futures markets.

Reliance on Key Personnel. ETC has exclusive responsibility for trading Commodity Interests for the Managed Account. ETC depends on the services of a limited number of key persons. If they cannot or will not provide those services, it could adversely affect ETC's ability to trade for the Managed Account. If this occurs, the Fund may terminate the contract with ETC. The Millennium Fund also depends on the services of a limited number of key persons.

No Assurance of ETC's Continued Services. Either ETC or the Fund can terminate their advisory contract on written notice in respect of the Managed Account.

Changes in Trading Strategies. ETC can make any changes in its trading strategies if it believes that they will be in the Managed Account's best interests. A change in Commodity Interests traded is not a change in trading strategy.

Possible Effects of Speculative Position Limits. The CFTC and U.S. exchanges have established "speculative position limits." These limits control the number of net long or net short speculative futures or option (on futures) positions any person may hold or control in futures or option contracts traded on U.S. exchanges. Most trading advisors control the commodity trading of other accounts. All positions and accounts owned or controlled by ETC and its principals are combined with the Managed Account's positions established by it for position limit purposes. In order to avoid exceeding position limits, it is possible that ETC will have to modify its trading instructions, and that positions held by the Managed Account will have to be liquidated. That could have a negative effect on the Managed Account's profitability.

Use of Discretion. While ETC's trading systems are predominantly algorithmic and mechanical, from time to time, ETC may exercise discretion over trading orders. No assurance can be given that such use of discretion will enable the account to avoid losses and in fact such use of discretion may cause an account to forego profits which it may have otherwise earned had such discretion not been used.

Increase in Amount of Funds Managed. If ETC manages more money in the future, including money raised in this offering, such additional funds could affect its performance or trading strategies. There is no guarantee that the Managed Account's investment results will be similar to ETC's past performance.

Trading in Options. Part of the Managed Account's trading may be in options and options on futures contracts. Although successful commodity options trading and futures trading require many of the same skills, the risks involved are somewhat different. Trading options involves substantial risks in that they are speculative, highly leveraged and can be very volatile. Markets can make sudden moves resulting in an increase in the price of options and losses to the seller. For example, if the Managed Account buys an option (either to sell or purchase a contract), it will pay a "premium" representing the market value of the option. Unless it becomes profitable to exercise or offset the option before it expires, the Managed Account will lose the entire amount of the premium. On the other hand, if the Managed Account sells an option (either to sell or purchase a futures contract), its broker credits the premium, but the Managed Account must deposit margin in case the option is exercised. Traders who sell options are subject to the entire loss that may occur in the underlying futures position (less any premium received). Moreover, the ability to invest in or exercise options may be restricted in the event that trading on U.S. futures exchanges is restricted by the CFTC or such exchanges. Selling uncovered options can expose the Fund to virtually unlimited risk and potential margin calls. Commodity options trading on U.S. exchanges is regulated by both the CFTC and those exchanges.

Changes in the Number of Available Futures Contracts and Related Options. U.S. and foreign exchanges have established new futures and options contracts in the past few years. This trend could continue. ETC's trading strategy might not be successful trading those new contracts.

Trading on the London Metal Exchange. ETC conducts a portion of the assets of the Managed Account on the London Metal Exchange (the "LME"). The LME is a non-ferrous metals market which provides a forum for the trading of futures contracts for non-ferrous metals and plastics. The LME is a principal-to-principal market, and only member organizations are able to trade on its platforms. Because the LME is a "principals" market, performance is the responsibility only of the individual member with whom ETC has entered into a futures contract and not of any exchange or clearing corporation. In such cases, ETC would be subject to the risk of the inability or refusal to perform with respect to the individual member with whom ETC has entered into a futures contract.

Absence of Regulation in OTC Transactions. ETC may engage in OTC transactions such as spot and forward currency trading. In general, there is less governmental regulation and supervision in the OTC markets than of transactions entered into on an organized exchange. In addition, many of the protections afforded to participants on some organized exchanges, such as the performance guarantee of an exchange clearinghouse, will not be available in connection with OTC transactions. If ETC engages in OTC transactions, then the Managed Account may be exposed to greater risk of loss through default than if ETC confines its trading to regulated exchanges.

Other Clients of ETC. ETC manages other accounts. This increases the competition for the same trades which the Managed Account makes. ETC may manage other accounts that pay fees that are different than those the Managed Account pays. Therefore, it has a potential conflict of interest. There is no assurance that the Managed Account's trading will generate the same results as any other accounts ETC manages.

Execution of Trades. ETC relies on computer, telephone and related electronic equipment for the execution of trades. If such equipment fails and/or the firms handling ETC's computer and communications facilities are adversely affected, ETC may not be able to execute trades, which could cause ETC's clients to incur losses or miss trading opportunities. ETC intends to use back-up equipment and facilities to try to minimize the impact of such potential execution problems.

Trading Errors. ETC's computerized trading systems rely on the ability of ETC's personnel to accurately process such systems' outputs and to use the proper trading orders, including stop-loss or limit orders, to execute the transactions called for by the systems. In addition, ETC relies on its staff to properly operate and maintain the computer and communication systems upon which the trading systems rely. ETC's systems are accordingly subject to human errors, including the failure to implement, or the inaccurate implementation of any of ETC's systems, in addition to errors in properly executing transactions. This could cause substantial losses on transactions, and any such losses could substantially and adversely affect the performance of an account.

Implementation of Trading Systems and Use of Automated Order Routing (AORS) and Execution Systems. ETC's computerized trading systems rely on ETC's personnel to accurately process the systems' outputs and execute the transactions called for by the systems using proper trading orders, including stop-loss or limit orders, among other types of orders. In addition, ETC relies on its staff to properly operate and maintain its computer and communications systems upon which the trading systems rely. Execution and operation of ETC's systems and the resulting implementation of trading orders, including stop-loss or limit orders, among other types of orders, is therefore subject to human errors. Any failure, inaccuracy or delay in successfully implementing any of ETC's systems and in executing transactions using proper trading orders, including stop-loss or limit orders, among other types of orders, could impair its ability to identify profit opportunities and benefit from them. It could also result in decisions to undertake transactions based on inaccurate or incomplete information at the time. This could cause substantial losses on transactions.

Additionally, ETC may use automated order routing and execution systems in its trading. Such systems are typically facilitated and/or provided by executing brokers on an "as is" basis. Such systems may experience technical difficulties which may render them temporarily unavailable for order execution. In addition, such systems may fail to properly perform. Such failures may result in losses to the Underlying Fund, for which losses the providers of such services have disclaimed all liability. In an effort to mitigate such risks, ETC closely monitors trades executed through automated order routing and execution systems and the operation of the systems themselves.

Systems Failure. ETC's strategies are highly dependent on the proper functioning of its internal computer systems. Accordingly, systems failure, whether due to third party failures upon which such systems are dependent or the failure of ETC's hardware or software, could disrupt trading or make trading impossible until such failure is remedied. Any such failure, and consequential inability to trade (even for a short period of time), could, in certain market conditions, cause an account to experience significant trading losses or to miss opportunities for profitable trading.

Disruptions or Inability to Trade Due to a Failure to Receive Timely and Accurate Market Data from Third Party Vendors. ETC's strategies depend to a significant degree on the receipt of timely and accurate market data from third party vendors. Any failure to receive such data in a timely manner or the receipt of inaccurate data for any reason could disrupt and adversely affect ETC's trading until such failure or inaccuracy is corrected.

Failure of Clearing Brokers, Counterparties, Banks, Custodians and other Financial Firms. Commodity brokers must maintain the Managed Account's assets (other than assets used to trade foreign futures or options on foreign markets) in a segregated account. If the clearing broker of the Managed

Account, ADM Investor Services, Inc ("ADM") goes bankrupt, the Managed Account could lose money as it may only be able to recover a pro rata share of the property available for distribution to all of ADM's customers. In addition, even if ADM adequately segregates the Managed Account's assets, the Managed Account may still be subject to risk of loss of funds on deposit with Newedge USA should another customer of ADM fail to satisfy deficiencies in such other customer's account.

Past Results Are Not Necessarily Indicative of Future Performance. Past results are not necessarily indicative of future performance and investment in the Fund is speculative and involves a substantial risk of loss.

Change of Service Providers. Subject to the terms of this Offering Memorandum and any relevant laws and regulations the Directors may change any service provider of the Fund and may agree to different contractual terms with new or existing service providers at any time.

FOREIGN INSTRUMENTS

Trading on Foreign Exchanges and Currency Exchange Rate Fluctuations. The Managed Account and the Millennium Fund trade on foreign exchanges and other non-U.S. markets. Neither existing CFTC regulations nor regulations of any other U.S. governmental agency apply to transactions on foreign markets. The Managed Account and the Millennium Fund are at risk for fluctuations in the exchange rate between the currencies in which they trades and U.S. dollars. It also is possible that exchange controls could be imposed in the future. There is no restriction on how much of the Managed Account's and the Millennium Fund's trading might be on foreign markets. See "Risk Disclosure Statement." Although trading on behalf of the Managed Account may occur on foreign exchanges or in non-U.S. markets, assets of the Managed Account will not be held in custody outside of the United States.

Exchange for Physicals. ETC engages in EFP transactions. An EFP is a purchase or sale of a spot commodity in conjunction with an offsetting sale or purchase of a corresponding futures contract involving the same or equivalent underlying commodity, without making an open and competitive trade for the futures contract on the exchange. The prices at which such transactions are executed are negotiated between the parties. EFPs are a permitted exception to the general requirement of the Commodity Exchange Act (CEA) that all futures contracts must be competitively executed on an exchange. They are permitted pursuant to the rules of the relevant exchanges, which vary from exchange to exchange. If the EFP does not comply with specific exchange requirements, particularly regarding possessing documentation evidencing possession of the underlying commodity, then the CFTC or the exchange may deem the transaction to be an illegal off-exchange futures contract. In addition, every EFP involves the transfer of an underlying commodity on a bilateral basis, with a counterparty in exchange for a related cleared futures contract. There is, therefore, counterparty credit risk if the counterparty or its clearing member on the futures leg fails to perform. Unlike other futures contracts that are deemed cleared by the clearinghouse upon trade matching or at the end of the business day, futures contracts arising out of EFPs may, under various clearinghouse rules, not be deemed accepted by the clearinghouse until the next business day. Finally, if ETC were prevented from engaging in EFPs as a result of regulatory changes or other factors, the performance of the programs could be adversely affected.

LIMITED COMPANY ISSUES

Substantial Charges to Managed Account. The Managed Account pays substantial fees and charges. As a result, the Managed Account must make substantial profits for the Fund's interests in the Managed Account to increase in value.

There Is No Intrinsic Value to the Managed Account's Investments. The Managed Account must make profits for it to provide beneficial diversification to the Fund's portfolio. Trading is a “zero-sum” activity in which for every gain there is an equal and offsetting loss (disregarding transaction costs). This differs from a typical securities investment, in which there is an expectation of consistent yields (in the case of bonds) or participation over time in general economic growth (in the case of stocks). The Managed Account could lose money while stock and bond prices rise. Stocks and bonds (except penny stocks) generally have some intrinsic value. You generally can realize some value for your stocks or bonds even if you sell in a down market. In trading Commodity Interests, on the other hand, you risk losing all of your investment if prices move against you. In general, performance statistics do not reflect the different risk profiles or tax treatment of traditional and managed Commodity Interest investments.

Managed Account Trading Is Not Transparent. ETC makes the Managed Account's trading decisions. While ETC has position transparency from the commodity broker and foreign exchange dealers, the Managed Account's trading results are reported to the Fund monthly.

Non-correlated, Not Negatively Correlated, Performance Objective. Historically, managed futures have been generally non-correlated to the performance of other asset classes such as stocks and bonds. Non-correlation means that there is no statistically valid relationship between the past performance of futures and forward contracts on the one hand and stocks or bonds on the other hand (as opposed to negative correlation, where the performance would be exactly opposite between two asset classes). Because of this non-correlation, the Managed Account cannot be expected to be automatically profitable during unfavorable periods for the stock market, or vice versa. The futures and forward markets are fundamentally different from the securities markets in that for every gain in futures and forward trading, there is an equal and offsetting loss. If the Managed Account does not perform in a manner non-correlated with the general financial markets or does not perform successfully, the Fund will obtain no diversification benefits by investing in the Managed Account and the Managed Account may have no gains to offset the Fund's losses from other investments.

LIQUIDITY

Possible Effect of Redemptions. The Managed Account would have fewer assets to trade in the event of a high level of redemptions. This may make it more difficult for the Managed Account to effectively trade its strategy and/or may cause the Managed Account's expenses to be proportionally higher for non-redeeming investors.

No Automatic Trading Suspension. A prospective Shareholder should only acquire Shares if it is looking for a long-term investment. The Managed Account does not have an automatic Trading Suspension Level which requires ETC to suspend or terminate trading as a result of losses.

TAX AND REGULATORY ISSUES

The Cayman Islands and FATCA. The Foreign Account Tax Compliance Act (“FATCA”) (added as Sections 1471 -1474 of the United States Internal Revenue Code of 1986, as amended, by the Hiring Incentives to Restore Employment Act of 2010) may impose certain requirements on the Fund.

On 29 November 2013, the Government of the Cayman Islands signed a “Model 1” Inter Governmental Agreement with the United States in response to FATCA (“Model 1 IGA”). These arrangements may result in a requirement for the Fund to obtain a Global Intermediary Identification Number (“GIIN”) from the United States Internal Revenue Service, and to disclose certain information regarding its U.S. investors to the Tax Information Authority of the Cayman Islands (or its delegate) (together, with the Model 1 IGA, the “C.I. FATCA Requirements”).

In order to assist the Fund to address its potential FATCA obligations and to meet the FATCA related requirements, each Shareholder may be asked to provide the Fund with certain information, representations, certificates or forms relating to such Shareholder (or its direct or indirect owners) as may be requested from time to time by the Fund, which the Directors may determine, in their sole discretion, to be necessary or appropriate in order to:

- (i) satisfy any requirements imposed under FATCA, including under any C.I. FATCA Requirements, and
- (ii) comply with any applicable reporting or withholding requirements and other obligations which exist or may arise as a result of FATCA and/ or the C.I. FATCA Requirements.

In addition, each Shareholder may be required to take such actions as the Directors may reasonably request in connection with the foregoing. In the event that any Shareholder fails to provide any of the information, representations, certificates or forms, or to undertake any of the actions required, the Directors shall have full authority to:

- (i) compulsorily redeem such Shareholder’s Shares;
- (ii) effect a transfer of such Shareholder’s Shares to an eligible investor; or
- (iii) take any steps as the Directors determine in their sole discretion are necessary, or appropriate to mitigate the consequences on the Fund and the other Shareholders, of such Shareholder’s failure to comply with the requirements of this section.

If requested by the Fund, a Shareholder shall provide and/or execute any and all documents, opinions, instruments and certificates as the Directors shall have reasonably requested or that are otherwise required to effectuate the foregoing. By executing a Subscription Agreement, each investor expressly agrees for its information to be passed to relevant regulatory authorities which may make a request pursuant to FATCA or the C.I. FATCA Requirements.

For the avoidance of doubt, among the possible effects of the legislation, depending on how it is interpreted, and whether and how the Fund chooses to comply, are the following:

- (i) In order to avoid incurring withholding tax, the Fund may require Shareholders to provide identifying information as to themselves and, as applicable, their direct and indirect owners, and to certify such information in such form as may be required;

- (ii) If the Fund allows shareholders that do not provide the required identifying information to remain as Shareholders, it is possible that a withholding tax might be imposed in respect of certain of the Fund's income, to the extent that such income is attributable to such Shareholders. In that case, the Fund may withhold redemption proceeds in respect of those Shareholders that have not provided such information so as to ensure that the economic burden of such tax is borne by those shareholders; and
- (iii) Another possibility is that a withholding tax might be imposed in respect of certain of the Fund's income, not limited to the portion attributable to Shareholders that do not provide identifying information. This could occur if, for example, the Fund does not comply with C.I. FATCA Requirements. In this case, all of the shareholders could be adversely affected by the tax.

Each Shareholder specifically acknowledges that a failure to comply with the provisions of this section may result in up to a 30% withholding or penalty being assessed on certain payments made to (or on behalf of) such non-compliant Shareholder and/or the Fund.

Each Shareholder that fails to comply with the requirements of this section and of the C.I. FATCA Requirements shall, together with any other Shareholders that so fail to comply, indemnify and hold harmless the Fund and its direct and indirect owners for any cost or loss arising out of such failure to comply, including, in respect of any sums withheld on payments made to the Fund.

The Fund's income may be subject to non-United States income taxes, including withholding taxes. Further, the Fund may be subject to taxes imposed by states and localities within the United States.

Common Reporting Standard

On 29 October 2014 the Cayman Islands was one of over fifty jurisdictions which signed the "Multilateral Competent Authority Agreement" ("MCAA") to automatically exchange information based on Article 6 of the Convention on Mutual Administrative Assistance in Tax Matters. Since 29 October 2014 several more jurisdictions have signed up the initiative and many others are expected to follow suit in the foreseeable future.

The MCAA is part of the process by which the automatic exchange of tax information ("AEOI") under the Organisation for Economic Cooperation and Development ("OECD") and the G20's new Standard for Automatic Exchange of Financial Information in Tax (the "Standard") will be implemented. The Standard is made up of two parts - the MCAA being the template for the necessary Intergovernmental Agreements ("IGA's") whilst the reporting and due diligence requirements for AEOI are set out in the Common Reporting Standard ("CRS").

The Standard aims to set the worldwide standard AEOI among tax authorities and provides for an annual automatic exchange of all financial information between jurisdictions, mostly on a reciprocal basis. In a move to improve the standard of exchange of information upon request, it was agreed that the Standard should include a requirement that beneficial ownership of all legal entities be available to tax authorities and exchanged with treaty partners.

As from 1 January 2016 (when the CRS came into force in the Cayman Islands) all “Reporting Financial Institutions” (as that term is defined in the relevant enabling regulations, namely, The Tax Information Authority (International Tax Compliance) (Common Reporting Standard) Regulations, 2015 of the Cayman Islands (the “**Regulations**”) shall establish policies and maintain procedures designed to identify “Reportable Accounts” (as that term is defined in the Regulations) in order to identify each jurisdiction in which an “Account Holder” (as that term is defined in the Regulations) or a “Controlling Person” (as that term is defined in the Regulations) is resident for income tax or corporation tax purposes or for the purpose of any tax imposed by the law of the jurisdiction that is of a similar character to either of those taxes. All Reporting Financial Institutions shall, in respect of the Reporting Financial Institution’s first reporting year and each subsequent calendar year make a return to the Tax Information Authority of the Cayman Islands (or its delegate) setting out the information required to be reported under the CRS in respect of each Reportable Account maintained by the Reporting Financial Institution at any time during that year.

Each Reporting Financial Institution must report, amongst other things, the following information with respect to each Reportable Account of such Reporting Financial Institution:

- (i) The name, address, jurisdiction(s) of residence, TIN(s) and date and place of birth (in the case of an individual) of each Reportable Person (as that term is defined in the Regulations) that is an Account Holder of the account and, in the case of any Entity that is an Account Holder and that, after application of the due diligence procedures consistent with Sections V, VI and VII of the Regulations, is identified as having one or more Controlling Persons that is a Reportable Person, the name, address, jurisdiction(s) of residence and TIN(s) of the Entity (as that term is defined in the Regulations) and the name, address, jurisdiction(s) of residence, TIN(s) and date and place of birth of each Reportable Person;
- (ii) The account number (or functional equivalent in the absence of an account number); and
- (iii) The account balance or value as of the end of the relevant calendar year or other appropriate reporting period or, if the account was closed during such year or period, the closure of the account.

The Tax Information Authority of the Cayman Islands (or its delegate) shall then be required to automatically exchange information as outlined above with the relevant tax authorities depending on the residency of the Reportable Person in question. If you are uncertain in this regard you should seek independent professional tax advice.

Request for Information

The Cayman Islands government may enter into additional inter-governmental agreements with other third countries in the future, which will likely impose similar reporting and other obligations as the Model 1 IGA with respect to investors who are tax resident in such third countries.

Each investor acknowledges that the Company may take such action as it considers necessary in relation to such investor's holding or redemption proceeds to ensure that any withholding tax payable by the Company, and any related costs, interest, penalties and other losses and liabilities suffered by the Company, the Administrator or any other investor, or any agent, delegate, employee, director, officer or affiliate of any of the foregoing persons pursuant to FATCA, arising from such investor's failure to provide the requested information to the Company, is economically borne by such investor.

The Directors reserve the right to request from any investor or potential investor such information as the Directors deem necessary to comply with FATCA or any obligation arising under the implementation of any applicable intergovernmental agreement.

Additional notice to participants in relation to past NFA action. Between 2013 and 2018, the sponsor of the Fund, Belmont Capital (“the Sponsor”) resolved to reimburse various pools under their management for monthly expenses above a certain amount, i.e. an expense cap. Instead of making these reimbursements on a monthly basis, the Sponsor allowed the pools to create a receivable on the balance sheet of the Fund. As a result of a periodic audit conducted by the National Futures Association (“the NFA”) in 2018, this was judged to be a violation of NFA Rule 2-45 and a complaint was issued. This complaint took the view that the receivable constituted a loan from the fund to the Sponsor. The complaint also charged the firm with late filing of quarterly pool reports and both the firm and its Managing Director, Jeremy O’Friel, were charged with a failure to supervise. The complaint was settled in May 2019 against the firm and Mr. O’Friel to the effect that the Sponsor would pay a penalty of \$25,000, as well as committing to pay down the receivable. Further, in early 2019, the Sponsor allowed for several pools under their management to make a loan to other pools. This was also judged to be a violation of NFA Rule 2-45. A complaint was issued and proceeded to a hearing in April 2020 and was upheld on appeal. In the Decision, the Hearing Panel found that the firm and Mr. O’Friel, in addition to the violation of Rule 2-45, also failed to comply with the terms of the prior Decision and violated high standards of commercial honour. An additional penalty of \$40,000 was assessed against the firm and Mr. O’Friel, as well as committing to paying down the inter-fund loan.

Absence of Regulation Applicable to Investment Companies and Related Issues. The Fund is not registered as a securities investment company or “mutual fund” under U.S. law. Therefore, it is not regulated by the SEC under the Investment Company Act of 1940 (the 1940 Act). Although the Fund has the right to invest in securities, you are not protected by the 1940 Act. In addition, ETC is not registered as an investment adviser under the Investment Advisers Act of 1940. The Sponsor is, however, registered with the CFTC as a CPO, and with the SEC as a Broker Dealer, ETC is registered with the CFTC as a CTA and CPO, and ADM is registered with the CFTC as an FCM. The Fund may be categorized as an Intermediate Customer under the Non-Mainstream Pooled Investment Schemes of the Rules under the United Kingdom’s (U.K.) Financial Conduct Authority. As a result, the Fund may not be afforded all of the protections available to retail customers in the U.K.

This list of risk factors is not a complete explanation of the risks associated with this investment. You should read this entire Memorandum before deciding whether this investment is right for you.

CONFLICTS OF INTEREST

As is typical in many futures funds, the Sponsor has not established any formal procedures to resolve conflicts of interest. You should be aware that the Sponsor has not established any such procedures, and that the Fund depends on the good faith of the parties to treat it fairly. Although the Sponsor will try to monitor these conflicts, it is extremely difficult, if not impossible, for it to assure that these conflicts do not, in fact, result in adverse consequences to the Fund.

Possible Effects of Competition. Because other traders may use trading strategies similar to those of ETC, there may be competition for the same Commodity Interests. Accounts currently managed by ETC seek execution of trading orders similar to those of the Managed Account. In addition, ADM, and their affiliates may trade for their own accounts or the accounts of their principals. Accounts managed by ETC and its principals are aggregated for purposes of applying the speculative position limits. If those limits are reached in any Commodity Interest, ETC would need to close out open positions in such Commodity Interest to avoid exceeding such limits. The records of that trading will not be made available to Shareholders. ETC manages other client accounts, and will remain free to manage additional accounts,

including accounts for itself or its principals, in the future. Such accounts may compete with the Managed Account for the same or similar positions. Also, ETC may have a conflict of interest in rendering advice to the Managed Account because it may have incentives, financial and otherwise, to favor such other accounts. In addition, because of price volatility, occasional variations in liquidity, and differences in order execution, it is impossible for ETC to obtain identical trade execution for all its clients. However, when block orders are filled at different prices, ETC assigns the executed trades on an unbiased systematic basis among all client accounts. Trades for any proprietary accounts of ETC or its principals will be subject to the same allocation procedures. ETC will not knowingly or deliberately favor one client account (on an overall basis) over another account for any reason. It is also possible that ADM may have orders for certain trades from the Managed Account and other accounts, including other pools operated by ETC or their affiliates, and the Managed Account's trades may be executed at more or less favorable prices. CFTC regulations require that ADM transmit all orders to the floor in the order in which they are received regardless of the source. In addition, CFTC regulations prohibit commodity brokers from using knowledge of the Managed Account's trades for their or their other customers' benefit.

Continuing Compensation. The Sponsor may pay Selling Agents a portion of its Sponsor Fees and Selling Agents will receive a portion of the Distribution Fee on Class A Shares. Because this compensation is based on the value of the Shares they sold which are outstanding at month end, they have a conflict of interest in advising the Shareholders about whether they should redeem their Shares. The Sponsor has entered into an arrangement with the Prime Broker in respect of receiving a portion of the commissions and brokerage fees charged to the Fund. Because of the affiliation, through common share ownership, of Belmont Capital as Sponsor and Belmont CAC Limited as a Selling Agent, the Sponsor Agreement and the Selling Agent agreement with Belmont CAC Limited were not negotiated on arms' length terms. Notwithstanding these potential conflicts of interest, the Directors have fiduciary duties to the Fund and consequently have exercised and will exercise good faith and integrity in handling all the Fund's affairs. Should a conflict of interest arise the Directors of the Fund will endeavour to ensure that it is resolved fairly.

Other Activities of ADM and Its Affiliates. As part of its commodity brokerage services, certain account executives of ADM and its affiliates offer and service discretionary and non-discretionary commodity account programs for customers. The selection of commodity trades for such accounts is made by the particular account executive handling the accounts or by a CTA engaged for such purpose. Neither ADM nor its employees and affiliates will perform any advisory services for the Managed Account.

Duties to Contract Markets and the NFA. Certain officers, directors and employees and principals of the ADM and ETC serve, and may serve, on various committees and boards of U.S. commodity exchanges and the NFA. In that capacity, they may assist in establishing rules and policies, and have a fiduciary duty to the exchanges and NFA, and are required to act in their best interests, even if the action may be adverse to that of the Managed Account.

Independent Review. No one has independently reviewed this document. Therefore, a prospective Shareholder should seek independent counsel before it invests.

Manager Risk

Manager Risk is potentially more concentrated in the Fund than would be the case if the Fund developed its own investment portfolio. This is because the Fund invests its assets in trading vehicles managed by trading managers that are not affiliated with the Sponsor.

Possibility of Fraud and Other Misconduct. With respect to the Fund’s investment in the Managed Account and the Millennium Fund, none of the Sponsor, the Administrator or the Custodian of the Fund will have custody of the Fund’s capital that is contributed to the Managed Account and the Millennium Fund. There will always be the risk that ETC, the prime brokers, administrators, custodians or other service providers and persons with access to the assets of the Managed Account and the Millennium Fund could divert or abscond with those assets, fail to follow agreed upon investment strategies, default on their obligations to return collateral or other assets, or provide false reports of operations or engage in other misconduct – all of which could substantially harm the Fund.

Key Person Risk. Investment performance at the Managed Account level is substantially dependent upon the expertise of ETC and its partners, directors, members and employees, and their ability to attract and retain suitable staff. In the event of the death, incapacity, departure, insolvency or withdrawal of any key individual, the performance of the Managed Account, and consequently, the Fund may be adversely affected.

Litigation Risk. The Managed Account might accumulate substantial positions in the securities of a specific company, engage in a proxy fight, become involved in litigation or attempt to gain control of a company. Under such circumstances, the Fund or the Sponsor conceivably could be named as a defendant in a lawsuit or regulatory action involving the Managed Account and could incur substantial legal expenses in connection with any such lawsuit or regulatory action.

Change in Investment Objective and Strategies. The Managed Account may change its investment objective and strategies at any time without giving prior notice to the Fund. Although the Sponsor intends to notify Shareholders promptly in the event that ETC notifies the Sponsor that the Managed Account’s investment objective or strategies have changed, Shareholders will not have any special redemption rights or other rights on account of such changes. Shareholders must understand that there can be no assurance that the Managed Account’s investment objectives and strategies will not change from those disclosed in this Memorandum.

The Fund

Shares are not easily transferrable. Subscriptions for Shares should be considered only by investors financially able to maintain their investments, and pay the taxes with respect thereto from other sources, and who can afford to lose all or a substantial part of such investments. **Shares may not be transferred or assigned without the consent of the Directors.**

Significant Fees and Expenses. The Sponsor Fee and costs and expenses of the Fund, in addition to the Management Fee, Account Management Fee, Managed Account Incentive Fee, the fees of the Millennium Fund and other costs and expenses of the Fund result in additional layers of fees and expenses than would be associated with a direct fund investment. The Fund must generate sufficient income to offset such fees and expenses to avoid a decrease in its Net Asset Value.

Application of Investor Funds. The Directors may wish to ensure that monies are invested promptly after receipt even prior to the issue of Participating Shares. Accordingly subject to receipt by the Fund of a satisfactorily completed Subscription Agreement and all other documentation or information required, the Fund may apply an applicant’s subscription monies and/or subscriptions in kind (together, the “**Subscription Proceeds**”) for investment from the date of receipt of Subscription Proceeds by the Fund prior to the determination of Net Asset Value. In the event that the Fund is wound up before the applicant is issued with Participating Shares, the applicant is deemed to have made an irrevocable loan of the Subscription Proceeds to the Fund and an applicant’s claim against the Fund under the loan shall rank pari passu with the claims of other unsecured creditors of the Fund. As soon as the Net Asset Value is

determined, the Fund will issue Participating Shares and the loan will be deemed to be repaid. The applicant will not receive any interest on the loan or be able to demand its repayment save in the case of a winding up. For the purposes of allocating Management Fees, Distribution Fees, Sponsor Fees and other fees and expenses, and the making of subscription applications, the Participating Shares issued to the relevant applicant will be deemed to have been issued on the first Business Day following the relevant Valuation Date.

No Participation in Management; No Ability to Remove the Sponsor; Limited Ability to Remove Directors. Shareholders will generally not be permitted to participate in the management of the Fund or in the conduct of its business. Moreover, except as otherwise provided in the Articles, Shareholders generally have no right to influence the management of the Fund, whether by voting or withdrawing or removing or replacing the Sponsor. An 80% affirmative vote of Shareholders (calculated by net asset value) is required to remove or replace any Director. In addition, the Directors will have no right to participate in the management of the Managed Account or ETC or the Millennium Fund.

No Representation. The business terms and structure of the Fund were not negotiated at arm's-length with any investor, whereas the Sponsor has consulted with counsel in connection with this offering. Prospective investors must realize that neither they nor the Fund have been represented by counsel in connection with the organization and offering of the Shares and are advised to consult their own counsel with respect to the legal and tax implications of an investment in the Shares.

A Shareholder's Shares May Be Compulsorily Redeemed By the Fund. The Directors may, in their sole discretion at any time, cause the Fund to redeem some or all of a Shareholder's Shares upon 48 hours prior written notice. Such compulsory redemption may create adverse tax and/or economic consequences to the Shareholder depending on the timing thereof in respect of the Fund and/or the Shareholder.

Tax Considerations

Investors should consult their professional advisers on the potential tax consequences of subscribing for, purchasing, holding or redeeming Shares under the laws of their country of citizenship, domicile or residence.

As is the case with any investment, there can be no guarantee that the tax position or proposed tax position prevailing at the time an investment in the Fund is made will endure indefinitely.

DESCRIPTION OF FEES, EXPENSES AND INCENTIVE FEES

The Fund is subject to substantial fees, expenses and charges.

Subscription Fee

The Fund reserves the right to charge a subscription fee of up to 5% of the amount subscribed and to pay such charge to Selling Agents (as defined herein) or other intermediaries (the "**Subscription Fee**"). The net amount will then be applied in subscribing for Shares.

Distribution Fee

The Fund will pay a distribution fee (the "**Distribution Fee**") with respect to the Class A Shares. The Distribution Fee will be paid to certain Selling Agents as consideration for selling Shares in the Fund. Each Class A Shareholder will be charged a Distribution Fee equal to 0.083% of the average aggregate month-end Net Asset Values of each Class A Shares held by such Shareholder that remain outstanding during the month (*a 1.0% annual rate*).

The holders of Class B Shares will not be charged a Distribution Fee.

Sponsor Fee

The Fund will pay a sponsor fee (the “**Sponsor Fee**”) to the Sponsor with respect to each Class . Each Class A Shareholder will be charged a Sponsor Fee equal to 0.125% of the average aggregate month-end Net Asset Values of each Class A Shares held by such Shareholder that remain outstanding during the month (**a 1.50% annual rate**). Each Class B Shareholder will be charged a Sponsor Fee equal to 0.083% of the average aggregate month-end Net Asset Values of each Class B Share held by such Shareholder that remain outstanding during the month (**a1.00% annual rate**).

The Sponsor may pay Selling Agents a portion of its Sponsor Fees and other Selling Agents may receive a portion of the Distribution Fee payable on Class A Shares.

Management Fee

The Fund will pay a fixed percentage monthly management fee to the Trading Advisor in an amount equal to 0.083% of the “Account Equity” of the Managed Account held by the Fund at such time (**a 1.00% annual rate**) (“**Account Management Fee**”). “Account Equity” is defined as the Managed Account's total assets less total liabilities, to be determined on the basis of generally accepted accounting principles, including the sum of all cash, U.S. Government obligations or other securities at market value, accrued interest receivable, and the current market value of all open commodity positions, as indicated by the settlement prices determined by the exchanges on which such positions are maintained and any other funds which the Fund has stated is subject to ETC's trading discretion but have not been deposited in the Managed Account, e.g. committed funds or notional equity.

Each Shareholder of the Fund, regardless of the Class or Series of Shares, will pay its allocable *pro rata* share of the Management Fee and the Account Management Fee.

Managed Account Incentive Fee

The Fund will pay to the Trading Advisor an incentive fee, accrued monthly and calculated and billed quarterly, e in the amount of 20% of the Trading Profits, if any, in the Managed Account (“**Managed Account Incentive Fee**”).

"Trading Profits" (for purposes of calculating incentive fees paid by the Fund to ETC only) during a calendar quarter means cumulative realized and change in unrealized profits and losses during the quarter which result from ETC’s trading (over and above the aggregate of previous period profits as of the end of any prior quarter) less brokerage commissions and fees, the management fees payable to ETC by the Fund. Interest income shall not be included in calculating Trading Profits.

The Fund will not differentiate Shareholders investing at different times or making multiple investments for the purpose of determining which Shareholders are subject to the Managed Account Incentive Fee. Accordingly, each Shareholder of the Fund, regardless of Class or Series and regardless of individual experience as an investor in the Fund, will bear a pro rata share of any Managed Account Incentive Fee incurred by the Fund in the Managed Account.

Millennium Fund Fees

As a holder of shares in the Millennium Fund, via the BMS Fund Class C, the Fund will bear its pro rata share of any and all monthly management fees and performance or incentive fees charged by the

Millennium Fund. Each Shareholder of the Fund, regardless of the Class or Series of Shares, will pay its allocable pro rata share of such fees.

The Fund's Operating Expenses.

The Fund pays all of its operating, legal, accounting, auditing, administration, clerical, marketing, presentations, expenses of the continuing offering of Shares and other such related expenses as incurred and any extraordinary expenses.

The Sponsor in its discretion may determine to bear the *pro rata* portion of the Fund's operational expenses attributable to certain Classes or Series of Shares. With effect from the date of this Offering Memorandum there is no expenses cap operated by the Sponsor.

The Fund's Organizational Expenses.

The Fund's organizational and initial offering costs and expenses have been borne by Altegris Portfolio Management, Inc. as the predecessor to the Sponsor.

Selling Agents and Continuing Compensation.

The Fund will pay a distribution fee (the "**Distribution Fee**") to certain intermediaries engaged by the Sponsor to offer Shares to potential investors (each, a "**Selling Agent**").

Each month, the Fund will pay the Distribution Fee as described above to each Selling Agent (as applicable), together with any Subscription Fee payable by a prospective shareholder. A Selling Agent may remit a portion of the Distribution Fee payable by the Fund to other Selling Agents.

All Subscription Fees and Distribution Fees paid by the Fund in respect of Class A Shares are paid to Belmont CAC Limited, a Republic of Ireland corporation which is an affiliate, through common share ownership, of Belmont Capital. Belmont CAC Limited may pay all or some of these fees to Selling Agents who introduce subscribers to the Fund.

REDEMPTIONS

A Shareholder may redeem some or all of its Shares of the Fund, as of the close of business on the first business day of each month following the immediately preceding Valuation Date or at such other times as the Directors may determine (each such day, a "**Redemption Date**"). A Shareholder wishing to redeem some or all of its Shares from the Fund must provide written notice to the Administrator at least fifteen days prior to a Redemption Date or at such other times and upon such terms and conditions as the Directors, in their discretion, will determine with respect to any Redemption Date.

Shares will be redeemed at the Redemption Price on the Redemption Date, less any applicable fees or charges. The Redemption Price will be an amount equal to the Net Asset Value per Share of the relevant Class and/or Series calculated on the Valuation Date immediately preceding the Redemption Date. The Directors may establish reserves or holdbacks for estimated accrued expenses, liabilities and contingencies (even if such reserves or holdbacks are not otherwise required by generally accepted accounting principles) which could reduce the amount of a distribution upon redemption.

Where Shares have been acquired on more than one date, they will be redeemed on a "first in, first out" basis.

Payment of redemption proceeds may be withheld or delayed if information required to satisfy verification of identity checks is not provided in a timely manner.

Redemption requests are irrevocable unless the Directors otherwise determine, or if there is a suspension of the calculation of the Net Asset Value or the redemption of Shares of the relevant Class and/or Series. In the event of a suspension of the calculation of the Net Asset Value or the redemption of Shares of the relevant Class and/or Series, the right of a Shareholder to have its Shares redeemed shall be suspended and during the period of suspension the Shareholder may withdraw its redemption request. Any withdrawal of the redemption request shall be made in writing and shall only be effective if actually received by the Fund before the termination of the suspension. If the redemption request is not withdrawn, any Shares the redemption of which has been suspended shall be redeemed once the suspension has ended at the Redemption Price for Shares of the relevant Class and/or Series applicable on the next Redemption Date following the end of the suspension.

Shares will be treated as having been redeemed with effect from the relevant Redemption Date irrespective of whether or not a Shareholder has been removed from the 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 with respect to Shares being redeemed (including any right to receive notice of, attend or vote at any separate Class meeting) 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 Shareholders will be treated as creditors of the Fund with respect to the Redemption Price and will rank accordingly in the priority of the Fund's creditors.

Redemption proceeds will generally be made within fifteen (15) days after the Redemption Date, except that under special circumstances, including but not limited to the Fund's or the Underlying Fund's inability to liquidate commodity positions as of the Redemption Date, or default or delay in payments due to the Fund or the Underlying Fund from commodity brokers, banks, commodity pools or other persons, the Fund may in turn delay payment to Shareholders requesting redemption of Shares of the proportionate part of the Net Asset Value of the Shares equal to that proportionate part of the Fund's Net Asset Value represented by the sums which are the subject of such default or delay.

The Fund will not pay interest on redemption proceeds. In certain circumstances, the Fund may suspend payments of any redemption proceeds until as soon as it is practicable for the Fund to make such payments.

Fund Limits on Redemptions and Liquidity

With a view to protecting the interests of Shareholders, the Directors may limit the number of Shares which are redeemed on any Redemption Date. In that event, the limitation will apply *pro rata* so that all Shareholders wishing to redeem Shares on that Redemption Date redeem the same proportion of such Shares. Redemption requests in respect of all Shares not redeemed but which would otherwise have been redeemed on that Redemption Date together with all redemption requests subsequently received will be carried forward to the next Redemption Date (or such earlier day as the Directors may determine), whereupon all the Shares the subject of such redemption requests will (subject to the same limitation and as provided herein) be redeemed. If redemption requests are carried forward, the Sponsor will inform the Shareholders who are affected and on any subsequent Redemption Date priority will be given to requests which have been carried forward according to the length of time for which they have been carried forward.

The Fund may also by a resolution of the Board of Directors, postpone or suspend (i) the calculation of the Net Asset Value of Shares of any one or more Classes and/or Series (and the applicable Valuation

Date); and/or (ii) the issue of Shares of any one or more Classes and/or Series (and the applicable Subscription Date); and/or (iii) the redemption (in whole or in part) of Shares of any one or more Classes and/or Series (and the applicable Redemption Date); and/or (iv) the payment of any redemption proceeds (even if Valuation Dates and Redemption Dates are not postponed) at any time if the Directors determine that such suspension is necessary to avoid adverse consequences to the Fund, including, but not limited to, negative tax or other regulatory consequences, unfair or material disadvantage to remaining Shareholders, impairment of the Fund's ability to operate in pursuit of its objectives, or under other circumstances, as described in the Articles and this Memorandum.

The Directors may determine to declare any such suspension: (i) during any closing, restriction or suspension of trading in markets in which a significant portion of the Fund's assets are traded, directly or indirectly; (ii) if, in the opinion of the Directors, a situation exists that constitutes an emergency causing the disposition or valuation of Fund assets to become impracticable or seriously prejudicial to the interests of the Fund or the Shareholders; (iii) if there is a breakdown in the means of communication normally employed in determining the price or valuation of Fund assets; or (iv) if in the opinion of the Directors the Fund is unable to repatriate or transfer assets necessary to satisfy Redemption Requests at normal rates of exchange. The Sponsor will promptly notify Shareholders in writing of any such suspension and the termination of any such suspension. To the extent that a Redemption Request is not withdrawn during any such suspension, the redemption will be processed as of the first Redemption Date following the recommencement of redemption acceptance and processing.

Compulsory Redemptions. The Directors may, in their sole discretion, cause the Fund to redeem some or all of a Shareholder's Shares at any time upon at least 48 hours' prior written notice. In the event of a compulsory redemption, the Redemption Price will be determined as of the close of business on the compulsory Redemption Date (which may be any Valuation Date in addition to a Redemption Date) specified by the Directors in its notice to the Shareholder. A Shareholder whose Shares are compulsorily redeemed will have no Shareholder rights after the close of business on the date on which the notice of compulsory redemption was issued.

Net Asset Value

The term "**Net Asset Value per Share**" means the Fund's Net Assets allocated to the Shares less any organizational and initial offering expense liability specifically allocated to such Shares. The Fund's "**Net Assets**" are the total assets of the Fund's, including all cash and cash equivalents (valued at market plus accrued interest), accrued interest, the value of the Managed Account and the Millennium Fund, and the market value of all securities and all other assets of the Fund, less all accrued but unpaid expenses and all other liabilities of the Fund, including, but not limited to, operating, legal, accounting and auditing expenses, but excluding organizational and initial offering expense liabilities, in all cases determined in accordance with the principles specified in the Articles or, where no principle is specified, in accordance with United States generally accepted accounting principles consistently applied under the accrual basis of accounting by the Sponsor in its sole discretion.

For the purpose of determining the Fund's total Net Asset Value, the market value of securities will be determined in accordance with readily ascertainable bid, asked and closing prices. In the absence of a readily ascertainable closing price or bid and asked price or in the case of a security not traded on an exchange, the market value of a security will mean its market value as determined by the Sponsor on a basis consistently applied. If the Directors determine that the valuation of any security or other property or of any liability does not fully represent market value, the Directors may value such security or other property or liability as it reasonably determines. All values assigned to securities and other assets and liabilities by the Directors are final and conclusive as to all of the Shareholders.

Reserves. The Board of Directors has broad discretion to establish reserves, both in order to withhold portions of redemptions and during the course of the ongoing operation of the Fund. Reserves when reversed will be credited *pro rata* to the Shareholders who are Shareholders at the time of such reversal (irrespective of whether they were Shareholders at the time such reserves were established).

THE ADMINISTRATOR AND CORPORATE BANKER

Administrator.

Bolder Fund Services (Cayman) Limited has been appointed to act as Administrator and Registrar pursuant to an administration agreement between the Fund and the Administrator (the “**Administration Agreement**”), and subject to the overall supervision of the Directors, the Administrator will, in respect of the Fund, maintain the accounting records, calculate the Net Asset Value per Share, provide anti-money laundering and certain CRS and FATCA support services on behalf of the Fund, receive and deal with subscriptions, issues and redemptions of Participating Shares and maintain the statutory register of Shareholders. The Administration Agreement provides that the Administrator may delegate some or all of its administrative functions on behalf of the Fund to one or more other parties without the consent of the Fund.

The Administrator was incorporated in the Cayman Islands as a private limited company on 26 August 2003 with registration number 5732 with its registered office at 3-212 Governors Square, 23 Lime Tree Bay Avenue, West Bay Road, P.O. Box 30746 SMB, KY1-1203, Cayman Islands and provides administrative and corporate services to numerous funds, managed accounts and investment companies.

The Administrator (which includes all directors, officers and employees of the Administrator and any agent, sub-contractor or delegate appointed by the Administrator) shall not be liable for any loss or damage suffered by the Fund, the Sponsor or any Shareholder, arising directly or indirectly out of any act or omission, or any error of judgement or oversight or mistake of law on the part of the Administrator, made or committed in good faith in the performance of their duties under the Administration Agreement, in the absence of fraud, negligence or willful default. The Administrator shall not, in the absence of fraud, negligence or willful default be liable for any loss occasioned by reason only of the liquidation, bankruptcy or insolvency of any agent, sub-contractor or delegate appointed. The Fund and its Shareholders shall indemnify and hold harmless the Administrator against all claims and demands (including costs and expenses arising therefrom or incidental thereto) which may be made against the Administrator in respect of any loss or damage sustained or suffered by any third party, other than by reason of the fraud, negligence or willful default of the Administrator or any delegate of the Administrator as aforesaid.

The Administrator is a service provider to the Fund and will not have any responsibility or authority to make investment decisions, nor to render investment advice with respect to the assets of the Fund. The Administrator does not act in any supervisory capacity with respect to the Sponsor or the Fund. Therefore, potential investors should not rely upon the Administrator in deciding whether or not to invest in the Fund or its Shares.

The Administrator is not responsible for valuing the investments of the Fund and has no responsibility for monitoring compliance by the Fund or the Sponsor with any investment policies or restrictions to which the Fund is subject. The Administrator is responsible and liable only for the administration services that it provides to the Fund pursuant to the Administration Agreement. The Administrator does not accept any

responsibility or liability for any losses suffered by the Fund or the Shareholders as a result of any breach of such policies or restrictions.

The Administrator is a service provider to the Fund, and as such, bears no responsibility for the content of this Memorandum.

The Administrator is entitled to fees which will be charged at its normal commercial rates and shall be reimbursed for all out of pocket expenses properly incurred by it in the performance of its duties and responsibilities under the Administration Agreement.

The Fund is registered as an administered fund with the Cayman Islands Monetary Authority (the “**Authority**”) and is therefore required to employ a licensed mutual fund administrator to provide a principal office in the Cayman Islands.

Bolder Fund Services (Cayman) Limited has been appointed to provide the principal office, and shall be entitled to an annual fee pursuant to the terms of a Principal Office Agreement between the Fund and Bolder Fund Services (Cayman) Limited.

The Fund has also appointed Bolder Corporate Services (Cayman) Limited to provide its registered office for which it is entitled to its customary fees.

TAX ASPECTS

The following summary of the principal Cayman Islands tax consequences applicable to the Fund is based upon interpretations of existing laws in effect on the date of this Memorandum. No assurance can be given that courts or fiscal authorities responsible for the administration of such laws will agree with the interpretations or that changes in such laws will not occur.

Cayman Islands Taxation

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 has received an undertaking from the Governor-in-Cabinet of the Cayman Islands that, in accordance with section 6 of the Tax Concessions Act (Revised) 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 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 (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 to its members or a payment of principal or interest or other sums due under a debenture or other obligation of the Fund.

Other Jurisdictions

The Fund may be subject to withholding or other taxes on certain income sourced in other countries.

A Shareholder who is an individual resident in a Member State of the European Union should be aware that any income realized upon the sale, refund or redemption of his or her Shares, together with any income in the form of dividends or other distributions by the Fund, may (depending upon the investment

portfolio of the Fund) become subject to the reporting regime (or the withholding tax regime) imposed by EU Council Directive 2003/48/EC of June 3, 2003 on taxation of savings income in the form of interest payments (the “**Directive**”), if payment of such income is made or collected by a paying agent established either in another Member State or in certain other jurisdictions which have agreed to introduce an equivalent reporting (or withholding tax) regime in respect of such payments.

As a result of the classification by the Cayman Islands of funds such as the Fund established in its jurisdiction, it is unlikely that payments made directly by the Fund will be subject to the reporting (or withholding tax) regime. However, because these rules are complex, application of the regime to payments emanating from the Fund cannot be excluded in all cases and a Shareholder who is an individual should consult his or her own tax advisers in relation to the purchase of the Shares.

PROSPECTIVE PURCHASERS SHOULD CONSULT LEGAL AND TAX ADVISERS IN THE COUNTRIES OF THEIR CITIZENSHIP, RESIDENCE, AND DOMICILE TO DETERMINE THE POSSIBLE TAX OR OTHER CONSEQUENCES OF PURCHASING, HOLDING, AND REDEEMING SHARES UNDER THE LAWS OF THEIR RESPECTIVE JURISDICTIONS.

SUITABILITY, INVESTMENT REQUIREMENTS AND OFFERING OF SHARES

Prospective investors should consider whether the purchase of Shares is suitable for them in light of their specific investment objectives and their present and expected future financial positions, needs and tax situations.

Suitability. *Shares will be offered for sale to non-U.S. investors as defined in Rule 9.01 in Regulation S under the Securities Act. Shares will be offered only to qualified investors. See the Subscription Documents for additional information as to the definition of “Non-U.S. Person.* Subscribers must, among other things, represent and warrant in the Subscription Agreement that they have received and read this Memorandum and that the Millennium Fund investment memorandum has been made available to them upon request and that they are purchasing Shares for investment purposes only, can afford the loss of its entire investment and, either alone or with a purchaser representative, have such knowledge and experience in financial and business matters that they are capable of evaluating the merits and risks of the prospective investment.

Subscription Amounts and Class of Shares. The minimum initial subscription for “**Class A**” Shares is \$10,000 and the minimum initial subscription for “**Class B**” Shares is \$1,000,000, in each case subject to the discretion of the Directors to accept lesser amounts. Subsequent subscriptions for Class A Shares may be made for a minimum of \$3,000, and subsequent subscriptions for Class B Shares may be made for a minimum of \$50,000, in each case subject to the discretion of the Directors to accept lesser amounts. Investors domiciled in the Isle of Man are subject to a minimum initial and subsequent subscription for Class B Shares of \$10,000. Subscriptions for Shares may be accepted or rejected, in whole or in part, in the sole discretion of the Directors, and the Directors in their discretion may also suspend the Fund’s acceptance of subscriptions at any time in accordance with the terms of this Memorandum. The Directors, in their discretion and without limitation, except as otherwise provided in the Articles, may cause the Fund to issue other classes, series or sub-series of Shares different from Class A Shares and Class B Shares in terms of sponsor fees, voting rights, redemption rights, amounts of expenses allocable to such additional classes, sub-classes, series or sub-series of Shares and/or other terms.

The Offering. Redeemable, Voting Shares (“**Shares**”) will be offered by the Fund to non-U.S. investors as described herein. Shares will be offered only to qualified investors. Accepted subscribers will be admitted to the Fund as “**Shareholders**” as of the beginning of each month or at such other times as the Directors, in their sole discretion, may determine (the “**Subscription Date**”).

Shares are offered at the prevailing net asset value per Share on each day on which the Directors determined to issue Shares subject to the minimum subscription. Shares will be issued on on each Subscription Date.

The Fund has been registered as a mutual fund pursuant to section 4(1)(b) of the Mutual Funds Act (Revised) of the Cayman Islands, and has its principal office at the office of Bolder Fund Services (Cayman) Limited in the Cayman Islands.

The Fund is currently offering two Classes of Shares, Class A Shares and Class B Shares. The minimum initial subscription for Class A Shares is \$10,000 and the minimum initial subscription for Class B Shares is \$1,000,000, in each case subject to the discretion of the Directors to accept lesser amounts. Subsequent subscriptions for Class A Shares may be made for a minimum of \$3,000, and subsequent subscriptions for Class B Shares may be made for a minimum of \$50,000, in each case subject to the discretion of the Directors to accept lesser amounts. Subscriptions for Shares may be accepted or rejected, in whole or in part, in the sole discretion of the Directors, and the Directors in their discretion may also suspend the Fund's acceptance of subscriptions at any time in accordance with the terms of this Memorandum.

The Directors, in their discretion and without limitation, except as otherwise provided in the Articles, may cause the Fund to issue other Classes or Series of Shares different from Class A Shares and Class B Shares in terms of sponsor fees, redemption rights, voting rights, amounts of expenses allocable to such additional Classes or Series of Shares which may be denominated in different currencies and/or other terms.

Shares will be offered at the prevailing net asset value per Share on each Subscription Date. Shares will generally be offered for subscription as of the beginning of each month or at such other times as the Directors, in their sole discretion, may determine. The Directors are authorized, in its sole discretion at any time, to terminate and discontinue offering the Shares, in whole or in part, or in respect of any particular jurisdiction. The Sponsor and the Fund reserve the right to refuse to accept the subscription of any person who, in the opinion of the Sponsor, fails to satisfy the investor suitability standards set forth herein, or does not have such knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of investment in the Fund, or for any other reason. The Sponsor reserves the right to require any prospective subscriber to provide additional information and/or documentation to confirm that such person meets the Fund's suitability and eligibility requirements. The Sponsor, in its sole discretion, may reject any subscription in whole or in part for any reason. All subscriptions are irrevocable, except as provided by applicable law.

Subscription Procedures. In order to purchase Shares, a subscriber must (i) complete, execute and deliver to the Fund the Subscription Agreement, and (ii) pay the full amount of the subscription by wire transfer in accordance with the instructions in the Subscription Agreement.

Accepted subscribers will be admitted to the Fund as Shareholders as of the beginning of each month or at such other times as the Sponsor, in its sole discretion, may determine. The Fund will accept subscriptions at the close of business at the end of each month, effective on the first Business Day of the next succeeding month and at such additional times as the Sponsor, in its sole discretion, may permit (each a "**Closing Date**"). "**Business Day**" means a day (other than Saturday, Sunday or holiday) on which banks and relevant financial markets are open for business in New York and Dublin, Ireland.

In general, the Administrator or its designee must receive a Subscription Agreement with funding information at least one (1) full Business Day prior to a Closing Date for a contribution made by wire transfer. If the Administrator receives a late Subscription Agreement, and the Sponsor in its sole

discretion does not waive the lateness of such Subscription Agreement, it will either be returned or held, until the next Closing Date immediately following the Administrator receipt of the late Subscription Agreement – at which time the Sponsor will consider it for acceptance into the Fund. Substantially all of the Fund’s subscription proceeds, net of amounts retained for working capital requirements, will be invested in the Managed Account and in shares of the Millennium Fund via the BMS Fund Class C as of the next Subscription Day that becomes available to the Fund.

Once completed application forms have been received by the Administrator, they are irrevocable. Shares may be issued for non-cash consideration at the discretion of the Directors. Such consideration will be valued by reference to the valuation principles applied in the calculation of Net Asset Value (but subject to the deduction of such sum (if any) as the Directors consider represents an appropriate provision for any fiscal, transfer, registration or other charges, fees or duties associated with the non-cash consideration received by the Fund) or if the Directors consider appropriate by such other method as may, in the opinion of the Directors, be fair and reasonable, having regard to the interests of the applicant and the existing Shareholders at the relevant time. Subscription monies will be at risk in the Fund from the relevant Subscription Date. Shares will be treated as having been issued with effect from the relevant Subscription Date notwithstanding that the applicant for those Shares may not be entered in the register of members until after the relevant Subscription Date.

The Fund and the Administrator reserve the right to reject any application in whole or in part in which event the unused subscription monies will be returned to the applicant, without interest and at the risk and cost of the applicant to the account of origin. Shares will not be available for subscription during any period that the calculation of the Net Asset Value has been suspended. The Directors reserve the right to close the Fund or a Class to new subscriptions (for all or just new investors) at any time.

GENERAL

Principal Office

The Fund is a Cayman Islands exempted company incorporated under the laws of the Cayman Islands. The Fund’s principal office is Bolder Fund Services (Cayman) Limited, 3-212 Governors Square, 23 Lime Tree Bay Avenue, West Bay Road, P.O. Box 30746 SMB, Grand Cayman KY1-1203, Cayman Islands.

Mail addressed to the Fund and received at its principal office will be forwarded unopened to the Sponsor to be dealt with. None of the Fund, its directors, officers or service providers will bear any responsibility for any delay howsoever caused in mail reaching the Sponsor. In particular, the Board of Directors will not receive, open or deal directly with mail addressed to the Fund.

Capitalization

The Fund has an authorized share capital of U.S. \$50,000 comprised of 5,000,000 redeemable, voting Shares of \$0.01 par value. The Shares carry voting power unless otherwise determined by the Directors with respect to a class, series or sub-series of Shares and participate ratably in the Fund’s profits and losses and in distributions of the net assets of the Fund on liquidation. The Shares are entitled to receive all dividends that may be declared by the Board of Directors and, upon the winding up of the Fund, the surplus cash available for distribution by the Fund to its Shareholders.

The Fund may issue a different Class or Series of Shares to one or more investors in its sole discretion.

The Shares are fully paid and nonassessable and will be issued in fully registered, book-entry form and ownership of the Shares is reflected on the books and records of the Fund maintained by the Administrator. No Share certificates will be issued in respect of the Shares. Fractional Shares, calculated to four decimal places, may be issued. There are no preemptive rights attaching to the Shares.

Board of Directors

A member of the Board of Directors may vote on any resolution of the Board of Directors concerning such member's own appointment to serve in any capacity with respect to the Fund or any entity in which the Fund has an interest. Notwithstanding the foregoing, at any meeting of the Board of Directors at which any contract or dealing in which any direct or indirect interest of any member of the Board of Directors is discussed, such member must declare his interest with specificity at or prior to such member's consideration of such contract or dealing and any vote thereon.

Although no member of the Board of Directors is required to be a Shareholder, any member of the Board of Directors who meets the Fund's suitability requirements may invest in the Fund.

Every Director and officer of the Fund (which for the avoidance of doubt, shall not include auditors of the Fund), together with every former Director and former officer of the Fund (each an "Indemnified Person") shall be indemnified out of the assets of the Fund against any liability, action, proceeding, claim, demand, costs, damages or expenses, including legal expenses, whatsoever which they or any of them may incur as a result of any act or failure to act in carrying out their functions other than such liability (if any) that they may incur by reason of their own actual fraud or wilful default. No Indemnified Person shall be liable to the Fund for any loss or damage incurred by the Fund as a result (whether direct or indirect) of the carrying out of their functions unless that liability arises through the actual fraud or wilful default of such Indemnified Person. No person shall be found to have committed actual fraud or wilful default under the related provision of the Articles unless or until a court of competent jurisdiction shall have made a finding to that effect.

Fiscal Year

The fiscal year of the Fund ends on December 31 in each year.

Auditors

KPMG, PO Box 493, Century Yard, Cricket Square, Grand Cayman KY1-1106 have been selected as the independent auditors for the Fund.

Legal Counsel

Collas Crill ("Collas Crill"), PO Box 709, Floor 2, Willow House, Cricket Square, Grand Cayman, KY1-1107, Cayman Islands, acts as Cayman Islands legal counsel to the Fund. In connection with the Fund's offering of Shares and subsequent advice to the Fund, Collas Crill will not be representing Shareholders. No independent legal counsel has been retained to represent the Shareholders. Collas Crill's representation of the Fund is limited to specific matters as to which it has been consulted by the Fund. There may exist other matters that could have a bearing on the Fund as to which Collas Crill has not been consulted. In addition, Collas Crill does not undertake to monitor compliance by the Sponsor and its affiliates with the investment program, valuation procedures and other guidelines set forth herein, nor does Collas Crill monitor ongoing compliance with applicable laws. In connection with the preparation of this Memorandum, Collas Crill's responsibility is limited to matters of Cayman Islands law and it does not accept responsibility in relation to any other matters referred to or disclosed in this

Memorandum. In the course of advising the Fund, there are times when the interests of Shareholders may differ from those of the Fund. Collas Crill does not represent the Shareholders' interests in resolving these issues. In reviewing this Memorandum, Collas Crill has relied upon information furnished to it by the Fund and has not investigated or verified the accuracy and completeness of information set forth herein concerning the Fund.

Amendments

The Articles may be amended by the Shareholders. However, no variation may be made to the rights attaching to the Shares (or a particular class or series thereof) which has a material adverse effect on Shareholders without the approval of a two-thirds majority of the votes cast (determined by Net Asset Value) by the holders of Shares (or Shares of the affected class or series, as the case may be) present in person or by proxy at a meeting of the holders of the Shares (or Shares of the affected class or series, as the case may be) or by written consent of the holders of two-thirds (determined by Net Asset Value) of the Shares (or Shares of the affected class or series).

Confidentiality and Data Protection

Each Shareholder agrees, pursuant to such Shareholder's Subscription Documents, that such Shareholder will not distribute any information regarding the Sponsor or the Fund's business (including investment and trading) activities or assets without the express prior written approval of the Sponsor and that such Shareholder's investment in the Fund, as well as any information concerning the Sponsor and the Fund, including the performance of such Shareholder's investment and the Fund, must be maintained on a strictly confidential basis.

Under the provisions of the Articles, if required to do so under the laws of any jurisdiction to which the Fund, the Sponsor, the Administrator or any other service provider is subject, or in compliance with the rules of any stock exchange upon which the Shares are listed, or to ensure the compliance by any person with any anti-money laundering law in any relevant jurisdiction, any Director, Officer, the Sponsor, the Administrator or Auditor of the Fund shall be entitled to release or disclose any information in its possession regarding the affairs of the Fund or a Shareholder including, without limitation, any information contained in the Register of Shareholders or subscription documentation of the Fund relating to any Shareholder.

The Fund is committed to maintaining the privacy and integrity of all personal data collected, used, or otherwise processed by the Fund. In this respect, the Fund will use its best endeavours to ensure compliance at all times with the applicable data protection law, including, but not limited to, Regulation (EU) 2016/679 (the "**GDPR**"). In particular, the Fund will implement technical and organizational measures to ensure the security of personal data. In this respect the Fund will only entrust processors providing sufficient guarantees with processing activities, in particular in terms of expert knowledge, reliability and resources, to implement technical and organisational measures in compliance with the applicable data protection law. If some of the recipients of the personal data are located outside the European Economic Area ("**EEA**"), in a country or territory which does not ensure an adequate level of protection for personal data, the Fund will not transfer personal data without the prior consent of the data subject or, where applicable, will take measures to compensate for the lack of data protection by way of appropriate safeguards, in compliance with the applicable data protection law. Personal data shall be processed by the Fund in a lawful, fair and transparent manner. All necessary information relating to the processing of personal data shall be provided to the data subject in the Subscription Agreement.

Books and Records; Reports to Shareholders

The books and records of the Fund are maintained at the offices of the Administrator. Copies of the books and records, comprising copies of the Memorandum and Articles of Association of the Fund, its material contracts with service providers and of the Mutual Funds Act and Companies Acts (as amended) of the Cayman Islands, will be available upon written request addressed to the Fund and payment of any duplication costs by the requesting Shareholder. The Fund distributes annual audited financial statements. In addition, the Fund distributes unaudited monthly statements of holdings to Shareholders. The Register of Shareholders is not open to review by the public or any Shareholder.

Shareholders may receive information relating to the current Net Asset Value of their overall investment in the Fund and the Net Asset Value per Share upon request to the Administrator.

Shareholder Communications

Communications to Shareholders will be sent to the email address, registered address or facsimile number set forth in such Shareholder's Subscription Documents.

Cayman Islands Mutual Funds Act

The Fund is regulated as a mutual fund under the Mutual Funds Act (Revised) of the Cayman Islands ("**Mutual Funds Act**"). Regulation under the Mutual Funds Act entails the filing of prescribed details and audited accounts annually with the Cayman Islands Monetary Authority (the "**Authority**"). The Authority has supervisory and enforcement powers to ensure compliance with the Mutual Funds Act. As a regulated mutual fund, the Authority may at any time instruct the Fund to have its accounts audited and to submit them to the Authority within such time as the Authority specifies. Failure to comply with these requests by the Authority may result in substantial fines on the part of the members of the Board of Directors and may result in the Authority applying to the court to have the Fund wound up.

The Fund will not, however, be subject to supervision in respect of its investment activities or the constitution of the Fund's portfolio by the Authority or any other governmental authority in the Cayman Islands, although the Authority does have power to investigate the activities of the Fund in certain circumstances. Neither the Authority nor any other governmental authority in the Cayman Islands has passed judgment upon or approved the terms or merits of this document. There is no investment compensation scheme available to investors in the Cayman Islands.

The 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 Authority include the power to require the substitution of members of the Board of Directors, to appoint a person to advise the Fund on the proper conduct of its affairs or to appoint a person to assume control of the affairs of the Fund. There are other remedies available to the Authority including the ability to apply to court for approval of other actions.

Money Laundering Prevention

In order to comply with legislation or regulations aimed at the prevention of money laundering the Fund is required to adopt and maintain anti-money laundering procedures, and may require subscribers to provide evidence to verify their identity and source of funds. Where permitted, and subject to certain conditions, the Fund may also delegate the maintenance of its anti-money laundering procedures (including the acquisition of due diligence information) to a suitable person.

The Fund, and the Administrator on the Fund's behalf, reserve the right to request such information as is necessary to verify the identity of a subscriber.

In the event of delay or failure on the part of the subscriber in producing any information required for verification purposes, the Fund, or the Administrator on the Fund's behalf, may refuse to accept the application, in which case any funds received will be returned without interest to the account from which they were originally debited.

The Fund, and the Administrator on the Fund's behalf, also reserve the right to refuse to make any redemption payment to a Shareholder if the Directors or the Administrator suspect or are advised that the payment of redemption proceeds to such Shareholder might result in a breach of applicable anti-money laundering or other laws or regulations by any person in any relevant jurisdiction, or if such refusal is considered necessary or appropriate to ensure the compliance by the Fund or the Administrator with any such laws or regulations in any applicable jurisdiction.

If any person resident in the Cayman Islands knows or suspects or has reasonable grounds for knowing or suspecting that another person is engaged in criminal conduct or is involved with terrorism or terrorist property and the information for that knowledge or suspicion came to their attention in the course of business in the regulated sector, 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 Act (Revised) of the Cayman Islands if the disclosure relates to criminal conduct or money laundering, or (ii) a police officer of the rank of constable or higher pursuant to the Terrorism Act (Revised) of the Cayman Islands if the disclosure relates to involvement with terrorism or terrorist financing and property. Such a report shall not be treated as a breach of confidence or of any restriction upon the disclosure of information imposed by any enactment or otherwise.

The Cayman Islands Anti-Money Laundering Regulations (Revised) and the Guidance Notes on the Prevention and Detection of Money Laundering and Terrorist Financing in the Cayman Islands (together, the “**AML Regime**”), impose enhanced requirements on the Fund in relation to its anti-money laundering (“**AML**”) obligations and further, require that the Fund appoints suitably qualified and experienced individuals to the roles of AML Compliance Officer (“**AMLCO**”), Money Laundering Reporting Officer (“**MLRO**”) and Deputy Money Laundering Reporting Officer (“**DMLRO**”). In order to assist the Fund in meeting its enhanced requirements under the AML Regime, the Fund has appointed the Administrator to perform certain AML support services for the Fund to include the provision of named individuals to the roles of AMLCO, MLRO and DMLRO, as set out in an Anti Money Laundering Support Services Agreement (“**AML Support Services Agreement**”) entered into in August 2022, which appointed James Mead as MLRO and AMLCO and Ke-Di Chang Quirk as DMLRO, to serve pursuant to the terms of the AML Support Services Agreement.

The Administrator and the Company reserve the right to obtain any additional information and documentation from Shareholders so that they can monitor the ongoing business relationship with such Shareholders. The Administrator cannot rely on third parties to meet this obligation, which remains its ultimate responsibility. The Administrator and the Company also reserve the right to obtain any additional information and additional documentation from Shareholders to keep their customer due diligence records up to date.

ADDITIONAL INFORMATION

This Memorandum is intended solely to provide prospective investors an introduction to this offering and to the Fund and its business. The Fund will make available to any prospective investor additional information deemed necessary or appropriate by such prospective investor, to the extent such information can be obtained without unreasonable effort or expense on the part of the Sponsor or the Fund.

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

APPENDIX A – CONTACT INFORMATION

FUND

Belmont Global Trend Fund Ltd
c/o Belmont Capital
535 Fifth Avenue New York NY 10017
USA

Registered office in the Cayman Islands

Bolder Corporate Services (Cayman) Limited
3-212 Governors Square, 23 Lime Tree Bay Avenue, West Bay Road
PO Box 30746 SMB
Grand Cayman KY1-1203,
Cayman Islands

Principal office in the Cayman Islands

Bolder Fund Services (Cayman) Limited
3-212 Governors Square, 23 Lime Tree Bay Avenue, West Bay Road
PO Box 30746 SMB
Grand Cayman KY1-1203
Cayman Islands

SPONSOR

Cillian Holdings, LLC
(d/b/a Belmont Capital)
535 Fifth Avenue New York NY 10017
USA

BOARD OF DIRECTORS

Jeremy O’Friel
Graham May

ADMINISTRATOR

Bolder Fund Services (Cayman) Limited
3-212 Governors Square, 23 Lime Tree Bay Avenue, West Bay Road
PO Box 30746 SMB
Grand Cayman KY1-1203,
Cayman Islands

BANKER

The Northern Trust International Banking Corporation
Harborside Financial Center Plaza 10, Suite 1401
3 Second Street
Jersey City, New Jersey 07311-3988, USA

MANAGED ACCOUNT PRIME BROKER

ADM Investor Services, Inc
2100A Board of Trade Building
141 W. Jackson Boulevard
Chicago, IL 60604 USA

INDEPENDENT AUDITORS

KPMG, PO Box 493
Century Yard, Cricket Square
Grand Cayman, KY1-1106
Cayman Islands

CAYMAN ISLANDS LEGAL COUNSEL TO THE FUND

Collas Crill
PO Box 709, Floor 2, Willow House
Cricket Square
Grand Cayman, KY1-1107
Cayman Islands