
BELMONT LONG SHORT ALPHA 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 an initial purchase price based on the applicable Net Asset Value per Share payable in full upon application.

This 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 Memorandum is sent. No person receiving a copy of this 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 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 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 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 Memorandum in any jurisdiction where action would be required for such purpose. Accordingly, no person receiving a copy of this 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 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 Memorandum nor the offer, issue or sale of Shares shall, under any circumstances, constitute a representation that the information contained in this Memorandum is correct at any time subsequent to the date of this 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 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 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.

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 AGREEMENT.

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 Long Short Alpha Fund, Ltd (the "Fund") , and by the more detailed information regarding the Point72 Capital International, Ltd. a Cayman Islands exempted company (the "Underlying Fund"), through which the Fund will invest substantially all of its assets, as described in the Confidential Offering Memorandum, as it may be amended and restated from time to time, of the Underlying Fund (such documents referred to collectively as the "Underlying Fund Memorandum"). 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

Altegris Long Short Alpha Fund, Ltd. was incorporated as a Cayman Islands exempted company on 30 September 2010 and changed its name to Belmont Long Short Alpha Fund, Ltd in August of 2014.

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**").

UNDERLYING FUND

The Fund will invest substantially all of its assets (except for such capital as the Sponsor determines is reasonably necessary or appropriate to pay any fees, expenses or other costs related to the Fund) in shares of Point72 Capital International, Ltd. (the "**Underlying Fund**"). The Underlying Fund is a Cayman Islands exempted company that operates as a registered mutual fund. The investment strategy is supplemented by the investment of up to a maximum of 10% of the Fund's assets 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**").

The Underlying Fund currently offers Class A Shares (the

"**Underlying Shares**"). As at the date of this Memorandum, the net proceeds from the issue of Class A Shares and Class B Shares in the Fund (as defined below) will be used to purchase Underlying Shares. Shares are offered at the prevailing Net Asset Value per Share on each day on which the Directors determine to issue Shares (which was generally expected to be monthly).

UNDERLYING FUND MANAGEMENT

Point72 Asset Management, L.P. is the investment manager of the Underlying Fund ("**Underlying Fund Investment Manager**" or "**Point72**").

UNDERLYING FUND SERIES OF SHARES

Each investor in the Underlying Fund will be issued a separate series of shares which will represent the aggregate Net Asset Value of the shareholder's interest in the Underlying Fund.

INVESTMENT OBJECTIVE AND TRADING PROGRAM

The investment objective of the Fund, through its investment of substantially all of its assets in the Underlying Fund, 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 Underlying Fund is an alternative investment fund that aims to achieve an attractive return on capital consistent with principles that are designed to reduce the risk of permanent capital loss. No assurance can be given that the Underlying Fund's objective will be achieved. The Underlying Fund intends to focus primarily on long/short equity and systematic investment strategies and will seek to employ other investment strategies opportunistically. The Underlying Fund Investment Manager reserves the right to employ investment strategies other than those described below. The Underlying Fund Investment Manager is an active investor and uses significant leverage, engages in short sale transactions, and exercises various options and arbitrage strategies. **There can be no assurance that the Fund, the Underlying Fund or the BMS Fund Class C will achieve their investment objectives.**

Investment in the Underlying Fund, and thus investment in the Fund, involves risks, including that there is no assurance that Point72's trading strategies will result in profitable trading, avoid losses or achieve the Underlying Fund's investment objectives, and there is no assurance that an investor will not lose a portion or all of its investment in the Fund.

The Sponsor selected the Underlying Fund based on its analysis of Point72's past performance history, the portfolio it trades and its principals' backgrounds. *For a more detailed description of the Underlying Fund and Point72, please see the heading, "The Underlying Fund and Point72".*

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 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 Directors, in their sole discretion, may determine (a "**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 \$50,000 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. 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 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 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 to arrive (1) one Business Day prior to a Subscription Date 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 three (3) Business Days prior to the relevant Subscription Date, as the case may be, and so that cleared funds in the relevant currency are received (5) five Business Days prior to a Subscription Date. 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 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 0.0833% 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% annual rate*).

The above fees will be due in arrears but an estimated 95% of the fees due in the current month may be paid out towards the end of that month, with the balance being paid upon completion of the calculation of the Net Asset Value for that month.

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.

UNDERLYING FUND MANAGEMENT FEE

As a holder of Underlying Shares in the Underlying Fund, the Fund will bear its *pro rata* share of a monthly management fee charged by the Underlying Fund (the "**Advisory Fee**").

The Underlying Fund Investment Manager, or such other entity as the Underlying Fund Investment Manager may designate, will receive a fixed Advisory Fee from the Underlying Fund. The Underlying Fund generally will pay the Advisory Fee monthly, in advance, in an amount equal to 1/12 of 2.75% (2.75% per annum) of the net asset value of each Class and Series of Underlying Shares as of the first business day of that month, prior to taking into account any accrued (but uncharged) Pass-Through Expenses (as defined in the Underlying Fund Memorandum) and Incentive Fees (as defined below) and after giving effect to any contributions, redemptions or distributions effective as of such date. The Advisory Fee determined with respect to a Class and Series of Underlying Shares will reduce the net asset value of such Class and Series of Underlying Shares. The Advisory Fee to be charged with respect to

a Class and Series of Underlying Shares may be waived, rebated, reduced or calculated differently by the Underlying Fund Investment Manager. For the avoidance of doubt, the other Classes and Series of Underlying Shares will not bear an increased Advisory Fee as a result of any such waiver or reduction. The Underlying Fund Investment Manager may, in its sole discretion, cause the Advisory Fee charged in respect of a Class and Series of Underlying Shares to be increased upon prior notice to shareholders holding such Class and Series of Underlying Shares and an opportunity to redeem such Underlying Shares prior to the effectiveness of such increase. The Underlying Fund Investment Manager may, in its sole discretion and without the consent of the shareholders, cause all or a portion of the Advisory Fee to be charged to and paid by the Subsidiary Funds instead of the Underlying Fund. The Underlying Fund Investment Manager may determine to charge an Advisory Fee at a lower rate with respect to the portion of the Underlying Fund's capital invested in a specific Subsidiary Fund. Each Shareholder of the Fund, regardless of the Class of Shares, will pay its allocable *pro rata* share of the Advisory Fee.

No management or advisory fees of any kind are charged at the Fund level.

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 of Shares, will pay its allocable pro rata share of such fees.

ORGANIZATIONAL EXPENSES

The Fund's organizational and initial offering costs and expenses have been fully amortised and expensed.

OPERATING EXPENSES AND ADMINISTRATION FEE

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 Fund will charge an Administration Fee to the Sponsor. The Administration Fee will be paid monthly in arrears and will be calculated as the lower of (i) 0.0625% of the aggregate month end Net Asset Value of each Share held by such Shareholders that remain outstanding during the month (a 0.75% annual rate) (ii) an amount equal to 0.083% of the aggregate month end Net Asset Value of each Share held by such Shareholders that remain outstanding during the month (a 1.0% annual rate) less the monthly expenses payable by the Fund and attributable to any parties other than the Sponsor, including but not limited to audit fees, fund administrator fees, custodian fees, bank charges, directors' fees, legal costs and any costs associated with regulatory filings in the Cayman Islands, the US or any other jurisdictions in which the Fund is subject to regulatory oversight or registration requirements.

The Administration Fee will be due in arrears but an estimated 95% of such fees due in the current month may be paid out towards the end of that month, with the balance being paid upon completion of the calculation of the Net Asset Value for that month.

FEES AND OPERATING EXPENSES OF THE UNDERLYING FUND

The Fund, as a holder of Underlying Shares in the Underlying Fund, will also pay its *pro rata* portion of the Underlying Fund's fees and expenses which include trading expenses (*e.g.*, administrative fees, interest expense, brokerage commissions, taxes, research costs, legal and accounting expenses) and other operating expenses. *See under the heading "Fees and Operating Expenses of the Underlying Fund"*.

All Shareholders of the Fund, regardless of Class, will bear their *pro rata* share of the Underlying Fund's trading and operational expenses. *See also the "Operating and Other Expenses" section of the Underlying Fund Memorandum.*

INCENTIVE FEE

Underlying Shares bear a performance-based incentive fee (the "**Incentive Fee**") payable to the Underlying Fund Investment Manager, or such other entity as the Underlying Fund Investment Manager may designate, which will be determined with respect to each Class and Series of Underlying Shares and will be charged at the end of each fiscal year or upon a redemption.

The Incentive Fee with respect to a Class or Series of Underlying Shares for a fiscal year will be equal to the Incentive Fee Rate (as defined below) of the Net Profits allocated to such Class or Series of Underlying Shares for such fiscal year (calculated with deduction of the Advisory Fee and Pass-Through Expenses).

"Net Profits" for any accounting period which are allocated to a Class or Series of Underlying Shares means the excess of: (i) the aggregate revenue, income and gains (realized and unrealized) earned during the period from all sources allocated to such Class or Series of Underlying Shares and any reserves allocated to such Class or Series of Underlying Shares released during the period, less (ii) the expenses during the period (not including the Advisory Fee, Pass-Through Expenses and/or Incentive Fees, if any, but including the internal administration fee of the Underlying Fund) and losses (realized and unrealized) incurred during the period allocated to such Class or Series of Underlying Shares and any reserves allocated to such Class or Series of Underlying Shares established during the period.

"Net Losses" for any accounting period, which are allocated to a Class or Series of Underlying Shares means the excess of: (i) the expenses during the period (not including the Advisory Fee, Pass-Through Expenses and/or Incentive Fees, if any, but including the internal administration fee of the Underlying Fund) and losses (realized and unrealized) incurred during the period allocated to such Class or Series of Underlying Shares and any reserves

allocated to such Class or Series of Underlying Shares established during the period, less (ii) the aggregate revenue, income and gains (realized and unrealized) earned during the period from all sources allocated to such Class or Series of Underlying Shares and any reserves allocated to such Class or Series of Underlying Shares released during the period.

The “Incentive Fee Rate” with respect to a Class and Series of Underlying Shares will be calculated on a sliding rate of 10% to 30% applied in a linear manner based upon the annualized Net Rate of Return allocated to such Class and Series of Underlying Shares of 0% to 20%. The Incentive Fee rate will be capped at 30% for any Net Rate of Return in excess of 20% and will be subject to a minimum rate of 10% if the Net Rate of Return is zero or negative. For the avoidance of doubt, if the Net Profit, less the Advisory Fees and Pass-Through Expenses, allocated to a Class and Series of Underlying Shares is positive for a Fiscal Year an Incentive Fee will be incurred even if the Net Rate of Return is negative.

“Net Rate of Return” for a Class and Series of Underlying Shares and an accounting period means the annualized percentage change in the net asset value of such Class and Series of Underlying Shares resulting from Net Profits or Net Losses, as applicable, after deducting the Advisory Fee, Pass-Through Expenses and the Incentive Fee, if any. For purposes of determining the annualized Net Rate of Return for a Class and Series of Underlying Shares, the Underlying Fund Investment Manager will take into account the Net Rate of Return for the period since the most recent date as of which an Incentive Fee was charged to such Class and Series of Underlying Shares (or since the establishment of such Class and Series of Underlying Shares if it has not been charged an Incentive Fee). For example, a Class and Series of Underlying Shares with a Net Rate of Return for a fiscal year equal to 12% reflects the application of an Incentive Fee at a rate equal to 22%, and a Class and Series of Underlying Shares with a Net Rate of Return for a fiscal year equal to 25% reflects the application of an Incentive Fee at a rate equal to 30%. The Incentive Fee is accrued on a monthly basis based on the annualized Net Rate of Return. For example, a Class and Series of Underlying Shares with a 5% Net Rate of Return for the period from 1st January through 30th June would yield an annualized Net Rate of Return of 10.25%. A 10.25% annualized Net Rate of Return reflects the application of an Incentive Fee Rate equal to 20.25%.

The Underlying Fund will maintain a memorandum loss recovery account (a “**Loss Recovery Account**”) for each Class and Series of Underlying Shares, the opening balance of which will be zero. For each fiscal year, the Loss Recovery Account in respect of a Class and Series of Underlying Shares will be credited with the aggregate Net Losses, if any, and any Advisory Fees and Pass-Through Expenses allocated to such Class and Series of Underlying Shares for such fiscal year. Such Loss Recovery Account will be debited

(but not beyond zero) with the excess Net Profit, if any, allocated to such Class and Series of Underlying Shares (calculated with deduction of the Advisory Fee and Pass-Through Expenses) for the applicable period or fiscal year. No Incentive Fee will be payable with respect to a Class and Series of Underlying Shares until any positive balance in the corresponding Loss Recovery Account has been reduced to zero. A positive balance in a Loss Recovery Account will be proportionally reduced for redemptions of Underlying Shares of such Class and Series. Additional subscriptions will not affect the Loss Recovery Account related to a Class and Series of Underlying Shares.

If any portion of a Class and Series of Underlying Shares is redeemed prior to year-end, an Incentive Fee with respect to such redeemed Underlying Shares will be determined, based upon the annualized Net Rate of Return for such Class and Series of Underlying Shares, charged and may be paid at such time with respect to the portion of such Class and Series of Underlying Shares redeemed in the Underlying Fund Investment Manager's discretion. If the Underlying Fund Investment Management Agreement between the Underlying Fund and the Underlying Fund Investment Manager is terminated or the Underlying Fund is dissolved other than as of the end of a fiscal year, an Incentive Fee may be payable as of the date of termination as if it were the end of the fiscal year in the Underlying Fund Investment Manager's discretion.

Notwithstanding the foregoing, the Incentive Fee otherwise charged to a Class and Series of Underlying Shares may be waived, rebated or reduced by the Underlying Fund Investment Manager in its sole discretion, the method of the calculation of the Incentive Fee may be changed with respect to such Class and Series of Underlying Shares, or, with the consent of shareholders holding such Class and Series of Underlying Shares, the Incentive Fee of such Class and Series of Underlying Shares may be increased.

The Underlying Fund Investment Manager may, in its sole discretion and without the consent of the Underlying Fund shareholders, cause all or a portion of the Incentive Fee to be charged to and paid by the Subsidiary Funds instead of the Underlying Fund. The Underlying Fund Investment Manager or an affiliate may receive an incentive allocation from the Underlying Fund or one or more Subsidiary Funds in an amount equal to (and in lieu of) some or all of the Incentive Fee. For the avoidance of doubt, any such change to the Incentive Fee will not result in an increase to the Incentive Fee (or alternative incentive compensation arrangement) borne by any shareholder. Underlying Fund shareholders will not be given any special right to redeem from the Underlying Fund as a result of any such restructuring of the Incentive Fee.

No incentive or other performance fees are charged at the Fund level.

RISKS

An investment in the Fund, and the Fund's investment in the Underlying Fund, 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 Underlying Fund and the Millennium Fund will incur, regardless of whether any profits are earned. There can be no assurance that the Fund's or the Underlying Fund's or the Millennium Fund's investment objective will be achieved, and investment results may vary from year to year.

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 and the Underlying 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 following the last Valuation Date of each calendar quarter 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 sixty-five 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 Shareholders.

Redemption rights as to Shares of the Fund are subject to certain restrictions, described below.

Except in extraordinary circumstances (which shall include any failure or delay in payment by the Underlying Fund), the Fund will endeavour to distribute at least 90% of a Shareholder's estimated redemption proceeds (computed on the basis of unaudited data) promptly and in any case no more than twenty five (25) days following the Fund's receipt of the proceeds of the corresponding redemption from the Underlying Fund, with the remainder paid no later than thirty (30) days after the Fund's receipt of the remaining amount of the corresponding redemption from the Underlying Fund. The Fund will not pay interest on redemption proceeds. In certain

circumstances, the Sponsor may suspend payments of any redemption proceeds until as soon as it is practicable for the Fund to make such payments. In any event, no redemption proceeds will be paid out if the Fund has not received all information necessary to complete its Anti-Money Laundering requirements.

LIMITS ON REDEMPTIONS AND LIQUIDITY – FUND LEVEL

The Sponsor, in its sole discretion, may refuse to approve a partial redemption request or may treat such a request as a request for a redemption of all of a Shareholder's Shares if, after giving effect to such partial redemption, the aggregate Net Asset Value of such Shareholder's remaining Shares would be less than the lesser of the redeeming Shareholder's initial subscription or the minimum investment then required for initial subscriptions for the same series as the Shares being redeemed.

The Fund's ability to satisfy redemptions is conditioned upon its ability to make corresponding redemptions from the Underlying Fund.

The Sponsor has the right to limit the amount of redemptions by Shareholders on any Redemption Date to an aggregate amount equal to **90%** of the aggregate Net Asset Value of all Shareholders' Shares (referred to as the "**Gate**"). If the Sponsor determines to apply the Gate, Shareholders' redemption requests will be reduced *pro rata* based on the relative amounts of each redeeming Shareholder's redemption request for the applicable Redemption Date.

The Fund may also, by a resolution of the Directors, postpone or suspend (i) the calculation of the Net Asset Value of Shares of any one or more series or sub-series (and the applicable valuation date); (ii) the issue of Shares of any one or more series or sub-series (and the applicable Subscription Date); (iii) the redemption (in whole or in part) of Shares of any one or more series or sub-series (and the applicable Redemption Date); and/or (iv) the payment of any redemption proceeds (even if valuations 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.

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.

For a more detailed description of limitations on redemptions and liquidity, see the "Redemptions" section of this Memorandum.

**UNDERLYING FUND
REDEMPTION LIMITATIONS**

Generally, a shareholder in the Underlying Fund may request to redeem its series of a class of Underlying Shares, in whole or in part, upon prior written notice delivered to the Underlying Fund's administrator. The Board of Directors of the Underlying Fund retains the right to permit redemptions at times upon such notice as determined in the discretion of the Board of Directors.

**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 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 dividing the Net Asset Value of each Series of a Class 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 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.

**UNDERLYING FUND
COMPULSORY
REDEMPTIONS**

The Underlying Fund may require the Fund to redeem a portion or the entirety of its Underlying Shares upon at any time and for any reason. If the Fund is required to redeem entirely from the Underlying Fund, the Directors may elect, in their discretion, to dissolve the Fund as described in the Articles.

DIVIDENDS

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

REPORTS

Shareholders will generally receive unaudited shareholder 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 each 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 and the principal office to the Fund. The Administrator will be paid customary fees for the services it provides to the Fund. *See "The Administrator and Custodian" in this Memorandum.*

BANKERS

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

AUDITORS

The Fund has selected KPMG Cayman Limited 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 or advise the Shareholders.

DIRECTORY

See Appendix A to this Memorandum for a directory of contact information and service providers to the Fund. The Underlying Fund documents, including any supplement for any separate class of Underlying Shares, may be obtained by contacting the Sponsor.

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 a CTA with the CFTC and is a member of the NFTA. 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"). 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. He appears regularly on CNBC Asia. 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 Sponsor 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 (each a "**Sponsor Party**" and together the "**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 Underlying Fund 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, Daniel Beaton and Graham May. The biographies for the Directors are set forth above in respect of Jeremy O’Friel and Daniel Beaton and below in respect of Graham May. A Director of the Fund may be appointed or removed by Shareholders by a vote of 80% of the Shares of the Fund then in issue (measured by Net Asset Value pursuant to the Articles) at any time. The Board of Directors may appoint an additional Director by simple majority vote.

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

Daniel Beaton (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 his business of advising plc's and private companies in all aspects of accounting and corporate/company secretarial procedures, and is now an adviser to Hawksmoor Partners, a consultant to hedge fund groups. He is also currently a practising consultant solicitor with City-based Charterhouse Law Solicitors.

THE UNDERLYING FUND AND POINT72

The following summary is qualified in its entirety by reference to the more detailed information about the Underlying Fund set forth in the Underlying Fund Memorandum, a copy of which may be requested from the Sponsor. The Fund will invest substantially all of its assets in the Underlying Fund. Past performance of the Underlying Fund is not necessarily indicative of the future performance of the Underlying Fund or the Fund.

Underlying Fund. The investment objective of the Fund, through its investment of substantially all of its assets in the Underlying Fund, is to produce long term capital appreciation through growth and not current income. The Underlying Fund is an alternative investment fund that takes relatively concentrated long and short positions in securities of companies located both in the U.S. and around the globe.

Underlying Fund Structure

Point72 Capital International, Ltd. (the "**Underlying Fund**"), a Cayman Islands exempted company, invests its assets directly or indirectly through various distinct portfolios held by private investment funds (the "**Subsidiary Funds**"). The Underlying Fund has delegated to Point72 Asset Management, L.P. (the "**Underlying Fund Investment Manager**" or "**Point72**"), a Delaware limited partnership controlled by Steven A. Cohen, responsibility for managing the assets of the Underlying Fund. The assets and investments of the Subsidiary Funds are managed by the Underlying Fund Investment Manager and/or affiliated investment managers pursuant to sub-investment management agreements.

Investment Objective

The Underlying Fund's investment objective is to achieve an attractive return on capital consistent with principles that are designed to reduce the risk of permanent capital loss. No assurance can be given that the Underlying Fund's objective will be achieved. The Underlying Fund intends to focus primarily on long/short equity and systematic investment strategies and will seek to employ other investment strategies opportunistically. The Underlying Fund Investment Manager reserves the right to employ investment strategies other than those described below. The Underlying Fund Investment Manager is an active investor and uses significant leverage, engages in short sale transactions, and exercises various options and arbitrage strategies.

The Underlying Fund Investment Manager may, from time to time in its sole discretion, refine or change its investment methods and strategies (including technical trading factors or analyses, securities and commodity interests traded, and money management principles used) without prior notice to or approval by the Underlying Fund's shareholders. The Underlying Fund Investment Manager reserves the right to allocate whatever amount of the Underlying Fund's capital to any investment strategy and to any

Subsidiary Fund, including any additional subsidiary funds currently existing or that may be formed in the future (the “Additional Subsidiary Funds”), as the Underlying Fund Investment Manager, in its sole discretion, deems appropriate and to change or eliminate such allocation at any time, without notice to any of the Underlying Fund’s shareholders. Such allocations of capital will vary, often materially, over time. In addition, the Underlying Fund’s allocation of capital to Subsidiary Funds is expected to differ from other investment funds managed by the Underlying Fund Investment Manager or its affiliates that are also invested in one or more of the Subsidiary Funds. The Underlying Fund Investment Manager may take into account a variety of factors in determining such allocations of capital, including tax or regulatory reasons or a minimum capacity right in respect of a specific Subsidiary Fund (or investment portfolio within a Subsidiary Fund).

The Underlying Fund Investment Manager actively searches for additional investment managers and investment strategies to whom or to which the Underlying Fund Investment Manager may allocate significant portions of the Underlying Fund’s assets in its sole discretion. As such, the Underlying Fund may invest directly or indirectly in securities and/or commodity interests and may employ investment strategies different from those described herein. The Underlying Fund may at any time and from time to time invest some or all of the Underlying Fund’s capital (or reinvest some or all of a Subsidiary Fund’s capital) with an unaffiliated investment manager (an “**Unaffiliated Manager**”) or with an unaffiliated investment entity (an “**Unaffiliated Investment Entity**”). Portions of the Underlying Fund’s assets are currently invested with multiple Unaffiliated Managers and Unaffiliated Investment Entities. Any expenses, management fees and performance compensation payable in connection with an investment in an Unaffiliated Manager or an unaffiliated Investment Entity will be borne by the Underlying Fund, or the investing Subsidiary Fund, as applicable, and such amounts will not offset the Advisory Fee or Incentive Fees. Further, certain Unaffiliated Managers or Unaffiliated Investment Entities may in turn invest all or a portion of their assets with other unaffiliated investment managers and/or unaffiliated investment entities and the fees, expenses and performance compensation in connection therewith will also be borne by the Underlying Fund, or the investing Subsidiary Fund, as applicable, and such amounts will not offset the Advisory Fee or Incentive Fees.

Each Subsidiary Fund in which the Underlying Fund invests generally allocates profits and losses among its owners (including the Underlying Fund) pro rata based on relative invested capital. However, the Underlying Fund Investment Manager may from time to time cause one or more Subsidiary Funds to allocate profits and losses among owners on another basis.

The Underlying Fund is not limited with respect to the types of investment strategies it may employ or the markets, securities or instruments in which it may invest. The Underlying Fund’s and the Subsidiary Funds’ investments may include, without limitation, the following: equities (including listed, unlisted, traded or privately offered, domestic, foreign, depository receipts and preferred); secured and unsecured debt (including both corporate and sovereign, mortgage-backed TBAs, bank loans, loans originated by the Underlying Fund or a Subsidiary Fund, vendor claims and other legal and/or contractual claims); futures; forward contracts; options; convertible bonds and preferred stock; derivative instruments, including listed and over-the counter, swaps and other equity or fixed income related instruments; contracts for differences; currencies; and commodities.

The descriptions contained herein of specific strategies in which the Underlying Fund may engage should not be understood as in any way limiting the Underlying Fund’s investment activities. The Underlying Fund may engage in investment strategies not described herein that the Underlying Fund Investment Manager considers consistent with the Underlying Fund’s overall investment objective or may cease engaging in or reduce its exposure to investment strategies described herein. The Underlying Fund’s investment program is speculative and entails substantial risks. There can be no assurance that the Underlying Fund’s investment objective will be achieved or that investment results might not vary substantially on a monthly, quarterly or annual basis. Certain of the Underlying Fund’s investment

practices can, in certain circumstances, increase the adverse impact to which the Underlying Fund's portfolio may be subject.

Subsidiary Funds Pursuing Long/Short and Opportunistic Strategies

The Underlying Fund has historically allocated and expects to continue to allocate a substantial portion of its investment assets to Subsidiary Funds that pursue principally long/short and opportunistic strategies (such Subsidiary Funds, the “**L/S Subsidiary Funds**”). The L/S Subsidiary Funds invest in U.S. and foreign securities, such as:

- listed and unlisted common stocks and preferred stocks (including · new issues and secondary offerings of existing issues);
- stock warrants and rights;
- options to buy and sell securities; and
- other derivatives and commodity interests, such as stock index and commodity futures.

The primary focus of the L/S Subsidiary Funds is to invest in marketable equity securities, although the funds also trade in commodity interests, debt instruments, privately placed securities and other instruments. The investment strategy pursued by the L/S Subsidiary Funds includes a fundamental research-intensive security selection process aimed at identifying mispriced securities. The Underlying Fund Investment Manager will analyse data on a company-by-company basis and seek to capitalize on the difference between the current market valuation of a security or derivative instrument and what it considers to be the probable market value of that security or derivative instrument. The portfolios will include both (i) long positions in, and options on, securities or other instruments that Point72 believes to be undervalued and (ii) short positions in, and options on, securities or other instruments that Point72 believes to be overvalued. Point72's investment decisions with respect to the L/S Subsidiary Funds do not rigidly adhere to any particular investment formula or system, but rather rely on the knowledge and judgment of certain employees of the Underlying Fund Investment Manager.

A substantial portion of the Underlying Fund's portfolio is managed through an active investment style. While Point72's long/short portfolio teams have fundamentally driven industry and security views, they express their investment views in an active investing style to realize a return on their research. The L/S Subsidiary Funds effect numerous transactions on any given trading day. The Underlying Fund Investment Manager anticipates that brokerage commissions generated will constitute a significant portion of the net assets of the L/S Subsidiary Funds on an annual basis. Neither the Underlying Fund Investment Manager nor any of its employees or affiliates currently participate, directly or indirectly, in commissions paid by the L/S Subsidiary Funds to any person or entity; however, the Underlying Fund Investment Manager may elect to retain an affiliated broker or dealer for the Underlying Fund or any Subsidiary Fund at any time. In addition, the Underlying Fund Investment Manager may evaluate various other strategies that it believes may offer attractive investment opportunities and, as part of such evaluation, may allocate assets to these strategies. The Underlying Fund Investment Manager's efforts are supported by analysts providing fundamental research of major industry sectors, markets and financial instruments. The Underlying Fund Investment Manager studies the economic, financial and political circumstances of a particular market to determine what structural shifts could bring about trend acceleration or directional changes and to identify which securities are likely to outperform or underperform the market or other referenced assets.

The attributes that the Underlying Fund Investment Manager believes important to the implementation of the strategy of the L/S Subsidiary Funds include, without limitation:

- a team of investment professionals who have complementary backgrounds and expertise as well as experience in shorting stocks; and
- a commitment to detailed fundamental analysis, including industry, business, accounting, financial, valuation and management analysis.

The underpinning of the investment programs of the L/S Subsidiary Funds is to create and sustain a competitive advantage in the analysis of companies with the goal of building a portfolio of the best securities (in its long portfolio) and worst securities (in its short portfolio) across a variety of sectors. Companies included in the long portfolio will typically exhibit one of the following characteristics-

- An ability to earn positive returns on invested capital. The Underlying Fund Investment Manager recognizes the important distinction between great companies and great stocks when the market has more than discounted the value of a strong, well-managed company. The Underlying Fund Investment Manager's goal is to identify those companies where the equities markets have mispriced the growth and sustainability of returns, the proprietary nature of products and services, and competitive barriers due to economies of scale or brand identity.

- Turnarounds or restructurings of businesses with above-average return potential. These companies often have suffered a decline in share price that proves to be temporary as the uncertainty surrounding the company diminishes. Short positions are an integral component of the investment program. Short positions are independently viewed as profit opportunities, as well as a degree of protection against a declining security, instrument, sector or market. Companies included in the short portfolio will typically exhibit one or more of the following characteristics:

- A bad economic model masked by accounting performance. These companies have low returns on invested capital and are typically large users of cash. Their frequent capital needs make them popular with investment bankers and sell-side analysts.

- Negative catalysts. These catalysts can include dependence on a single product with near-term competitive pressures, product failures, loss of key customers and overestimated market potential.

- Balance sheet deterioration. Significant negative changes in inventories, receivables and cash flow often signal stretching to make consensus revenue and/or earnings estimates.

- Aggressive practices. Certain companies engage in "aggressive" financial or accounting practices.

Point72 at times also uses fundamental analysis of market supply and demand to ascertain the rationale and mechanism for the capital flows that have determined and will continue to determine long-term price trends. Economic, financial and political circumstances of a particular market may also be considered, particularly if they are viewed as likely to result in structural shifts that could bring about trend acceleration or directional changes.

Use of Real-Time Market Analysis. The investment methods employed by Point72 in managing the portfolios of the L/S Subsidiary Funds include analysis of real-time developments in the applicable markets. Such an approach seeks to: develop intra- and inter-day entry and exit strategies based upon price and volume movements as well as upon security-specific, industry sector and macro-economic developments; and capitalize upon those strategies by implementing them with speed and efficiency.

Use of Technical Analysis. The investment methods employed by Point72 in managing the portfolios of the L/S Subsidiary Funds may also involve technical analysis to anticipate changes in the marketplace supply and demand equation. Emerging technical changes can lead it to question current market consensus as well as help in ascertaining the particular fundamentals that are more relevant for security valuation.

Technical analysis is based on the theory that the study of the markets themselves provides a means of anticipating the external factors that affect the supply and demand of a particular security or commodity to predict future prices. Technical analysis operates on the theory that market prices at any given point in time reflect all known factors affecting supply and demand for a particular security or commodity. Consequently, a detailed analysis of, among other things, actual daily, weekly and monthly price fluctuations, volume variations and changes in open interest can be of predictive value when determining the future course of price movements. In general, investment recommendations may be based on computer-generated signals, chart interpretation, mathematical measurements or a combination of such items.

Technical analysis may be of particular interest in the timing of entry and exit positions and in evaluating the extent to which the market price reflects underlying value. Point72's evaluation of the technical position of the market can thus help in determining the direction of prices and is also used as a tool in risk control. Point72 believes that the confluence of technical signals with a fundamental basis for establishing or exiting a position can enhance its portfolio management.

Subsidiary Funds Pursuing Systematic Strategies

Point72 may from time to time cause the Underlying Fund to allocate a portion of its investment assets to Subsidiary Funds that pursue principally systematic strategies (such Subsidiary Funds, the “**Systematic Subsidiary Funds**”). The investment objective of the Systematic Subsidiary Funds is to generate high returns relative to risk through the use of proprietary investment systems that consist of various computational techniques and models that seek to predict future prices in a variety of financial instruments. No assurance can be given that the objective will be achieved. The models are based upon historical and contemporaneous events and information, which may include price, volume, fundamentals and volatility of the applicable instruments and markets. The investment approach typically involves trading diversified baskets of instruments around the world and around the clock, including, but not limited to, equities, financial futures, currencies and both listed and over-the-counter derivatives.

Certain of the Systematic Subsidiary Funds may pursue trading strategies with relatively high trading volume relative to overnight holding period, sometimes referred to as high-frequency trading. Other Systematic Subsidiary Funds may engage in trading of commodities futures, financial futures, foreign exchange, exchange traded funds and other financial instruments (which represent exposure to an asset class, commodity or index rather than to securities issued by individual corporations). The Underlying Fund may also engage in the trading of derivative instruments that are nonlinear in nature or involve optionality.

While risk control is a feature of the investment systems, these strategies use significant leverage. Accordingly, these strategies may experience significant and rapid losses in times of market disruption or when the predictions of the models are in the aggregate incorrect.

Subsidiary Funds Pursuing Macroeconomic Strategies

Point72 may cause the Underlying Fund to allocate a portion of its investment assets to Subsidiary Funds that pursue a strategy seeking to achieve a high rate of return on capital by using macroeconomic analyses to develop investment ideas that lead to concentrated investments in rates, sovereign credits, foreign exchange, commodities and equities. No assurance can be given that the objective will be achieved.

Investment Methods and Strategies Common To Multiple Subsidiary Funds

Emphasis on Risk Management. Point72's investment philosophy is grounded on the active spreading of risk among many investments. Risk control is an integral feature of most of Point72's trading systems. Point72 regularly monitors the composition of the Underlying Fund's portfolio and makes adjustments based on a variety of systematic and subjective assessments. Despite these efforts to diversify risk, Point72's efforts to control risk and limit losses may prove ineffective, particularly in times of market disruption, and at times Point72 may elect not to undertake certain risk mitigation techniques.

Use of Cash and Cash Equivalents. Point72 may hold cash or invest in cash equivalents, consisting primarily of obligations of the U.S. Government, its agencies or instrumentalities, commercial paper, reverse repurchase agreements, money market mutual funds, and interest-bearing deposits with financial institutions deemed by Point72 to be appropriately creditworthy.

Use of Leverage. Point72 has the power to cause the Underlying Fund and the Subsidiary Funds to use substantial leverage. Point72 does so as a fundamental part of the investment philosophy employed by the

Underlying Fund or a Subsidiary Fund and it also may do so to meet redemptions which would otherwise result in the premature liquidation of investments. Historically, Point72 has employed significant leverage in connection with the Subsidiary Funds' securities investing. Leverage may take a variety of forms, such as derivative instruments with inherent leverage, trading on margin, and repurchase arrangements. While leverage presents opportunities for increasing the total return on investments, it has the effect of potentially increasing losses as well. Accordingly, any event which adversely affects the value of an investment could be magnified, possibly significantly, to the extent leverage is utilized and result in a substantial loss to the Underlying Fund. Strategies used by the Underlying Fund may experience significant and rapid losses in times of market disruption or when the predictions of the models are incorrect. In addition, a change in the general level of interest rates may adversely affect the Underlying Fund.

Commodities. Commodity interests are traded by Point72 generally in a manner that is incidental to its overall securities investing activities, but may at times be substantial. The Underlying Fund and the Subsidiary Funds fulfil their margin requirements with cash or liquid securities held in brokerage accounts at their commodity brokers. Interest on these securities accrues to the Underlying Fund or the Subsidiary Funds as the case may be. The Underlying Fund does not expect to have more than 50% of its assets held in segregation pursuant to the U.S. Commodity Exchange Act, as amended (the "Commodity Exchange Act"). A substantial portion of the assets of the Underlying Fund may be used in commodities trading. All of the Underlying Fund's assets used to margin U.S. commodity interests will be deposited with a futures commission merchant (an "FCM") and such FCMs are required under the Commodity Exchange Act to maintain these deposits in segregated accounts.

Active Investor. Point72 is an active investor and uses significant leverage, engages in short-sale transactions, and exercises various options and arbitrage strategies.

Reliance on Judgment. Although Point72's investment efforts may be supported by fundamental research of issuers, sectors, markets and financial instruments, they are not required to be. Furthermore, Point72 is not required to conduct any minimum level of research or analysis in connection with making investment decisions for the Underlying Fund and instead may make investment decisions based upon other factors. For example, at times, Point72 may make investment decisions based on considerations such as market rumours, general market conditions or similar factors unrelated to a company's fundamentals.

Strategic Relationships and Joint Ventures. Point72, the Underlying Fund or their respective affiliates may invest capital with an Unaffiliated Manager or an Unaffiliated Investment Entity and, in consideration for such investment, may receive an economic interest in the Unaffiliated Managers managing such Unaffiliated Investment Entities or their affiliates. These investments are often referred to as "seed capital" or "anchor investor" arrangements and may involve a long-term commitment of a sizable investment with a newly formed, unestablished Unaffiliated Manager. An ownership interest held by Point72 or its affiliates (excluding the Underlying Fund) in an Unaffiliated Manager will create a conflict of interest if the Underlying Fund has allocated capital to be managed by the Unaffiliated Manager.

The investment programs of the Underlying Fund and the Subsidiary Funds are or will be, as the case may be, speculative and they entail substantial risks. In part because market risks are inherent in all securities investments to varying degrees, there can be no assurance that the investment objectives of the Underlying Fund or any Subsidiary Fund will be achieved. In fact, in some circumstances certain investment practices described above can increase the adverse impact on the Underlying Fund's or a Subsidiary Fund's portfolio. A single Subsidiary Fund may pursue multiple strategies and the strategies pursued by a Subsidiary Fund may change from time to time.

Point72 Management

The Underlying Fund has delegated to Point72, a limited partnership organized under the laws of Delaware, responsibility for managing the assets of the Underlying Fund. Point72, and indirectly the Underlying Fund and the Subsidiary Funds, also receives services and support from a number of affiliated entities, including Point72, L.P. which employs middle- and back-office personnel providing services to the Underlying Fund Investment Manager, as well as entities operating in foreign jurisdictions employing personnel. At this time, such affiliated investment managers include Cubist Systematic Strategies, LLC, a Delaware limited liability company operating in the United States, Point72 Asia (Hong Kong) Limited, a company organized and operating in Hong Kong, Point72 Asia (North Asia) Limited – Japan Branch, a company organized in Hong Kong and operating in Japan, Point72 Asia (Singapore) Pte. Ltd., a company organized and operating in Singapore, Point72 Europe (London) LLP, a limited liability partnership registered in England and Wales, and Point72 France SAS, a société par actions simplifiée organized in France. Mr. Cohen controls the Underlying Fund Investment Manager and each of these other investment management entities.

Shareholders and potential Shareholders may request from Point72 additional information regarding Mr. Cohen and other key personnel of Point72.

Registrations and Memberships

Point72 is registered with (1) the SEC as an investment adviser under the Advisers Act and (2) the CFTC as a CPO and a CTA and is a member of the NFA. Point72 is a corporate member of the CME Group Inc. (the “CME”). Certain of the Subsidiary Funds hold memberships with the CME that permit such entities to receive reduced clearing costs for certain futures contracts traded on the CME and other related exchanges. In connection with the membership, certain Subsidiary Funds in which the Fund invests may contribute to the \$500,000 membership security deposit and the purchase of several CME seats by Point72 and certain Subsidiary Funds. Such Subsidiary Funds could be required to make additional payments to the CME if another CME member fails to meet its obligations to the exchange. The current maximum assessment per event is the member’s security deposit plus 275% of the security deposit. Such an assessment would be borne directly by the relevant Subsidiary Funds, and thus would be partially borne, indirectly, by the Underlying Fund.

Certain Proceedings Relating to the Investment Manager and Affiliates

Governmental Investigations. From time to time, Point72 becomes aware of investigations by regulatory or governmental authorities into certain matters, including trading in particular securities or types of securities by Point72, its affiliates or their employees or former employees. At this time, Point72 does not know whether any such investigations will lead to further investigations or to proceedings against Point72, its affiliates or any of their current or former employees. Responding to inquiries, including subpoenas, in connection with any investigation may divert Point72’s time, attention and resources from portfolio management activities, which may have an adverse effect on the performance of the Underlying Fund. Any such investigations or proceedings, if begun, possibly could result in significant fines, disgorgement of profits, or penalties.

Historic Governmental and Regulatory Matters. Investors should refer to the Underlying Fund Memorandum for a summary discussion of certain governmental investigations and civil litigation involving certain affiliates of Point72, including S.A.C. Capital Advisors, L.P. (“SAC Advisors LP”) and S.A.C. Capital Advisors, LLC (“SAC Advisors LLC”). Mr. Cohen controls both SAC Advisors LP and SAC Advisors LLC, but neither entity provides investment advisory or other services to the Fund or the Subsidiary Funds.

Underlying Fund Board of Directors

The Underlying Fund has a board of directors, which meets at least twice a year to supervise the conduct of the Underlying Fund's affairs. This board of directors is authorized to consider and, on behalf of the Underlying Fund Shareholders, approve or disapprove, to the extent required by applicable law, principal transactions and certain other related party transactions. This board of directors includes the individuals listed below.

Rachel D'Antonio. Rachel D'Antonio is a Managing Director and the Treasurer of Point72, as well as the Head of Broker Relations. She is responsible for overseeing Point72's equity financing, managing its credit counterparty relationships, and has oversight over its contract negotiations across products and counterparties. She was previously the Head of Operations. Ms. D'Antonio joined Point72's Operations group in 2004 and was appointed Managing Director and Head of Operations in 2010. Before she joined Point72, Ms. D'Antonio worked at JPMorgan for nine years as a Vice President managing various middle-office product teams. Ms. D'Antonio earned her BA in International Studies and Economics from Colby College.

Alberto R. Gonzales. Judge Alberto R. Gonzales is currently the Dean of the College of Law at Belmont University and the Doyle Rogers Distinguished Professor of Law. Judge Gonzales served as Attorney General of the United States from February 2005 through September 2007. Previously, Judge Gonzales served in various government positions including Justice on the Texas Supreme Court, Texas Secretary of State, General Counsel to the Governor of Texas and Counsel to the President of the United States. Judge Gonzales was also previously a partner at Vinson & Elkins in Houston, Texas. Presently Judge Gonzales serves on the board of directors for the United Way of Metropolitan Nashville and the Community Foundation of Middle Tennessee. Judge Gonzales earned his B.A. from Rice University and his J.D. from Harvard Law School.

Scott P. Lennon. Mr. Lennon is the Managing Director and Principal at 19 Degrees North Fund Services Ltd., a Company Manager regulated by the Cayman Islands Monetary Authority and specialist fiduciary services firm that he founded in December 2011. Prior to founding 19 Degrees North, Mr. Lennon was the Head of Fund Services at Walkers Fund Services Limited (now Intertrust Cayman), a Cayman Islands licensed Trust Company and Mutual Fund Administrator. In 2003, Mr. Lennon was recruited by Walkers to launch a fund services business. Over the course of eight years, Mr. Lennon created the Walkers Fund Services business and ultimately directed a group of eight members that provided Director and Trustee services to over 500 clients. Mr. Lennon was also responsible for developing the group's internal compliance and risk policies. Up to 2003, Mr. Lennon was the Head of Investment Fund Services at State Street Cayman Trust Company Ltd. There, he headed the transition of State Street's acquisition of Deutsche Bank's Global Securities Services business to the State Street platform. Prior to joining State Street, in 2001 Mr. Lennon was the Head of Investment Fund Services at Deutsche Bank (Cayman Islands) Ltd. where he led the team that was responsible for the administration of a portfolio of 60 funds with assets in excess of U.S.\$7 billion. Mr. Lennon had direct reporting authority to the Head of the Offshore Funds Group at Deutsche Bank in Dublin, Ireland. Mr. Lennon was also a member of the Deutsche Bank Offshore Pricing Committee which dealt with key issues relating to the pricing of assets across the entire portfolio of funds under administration. Prior to heading Deutsche Bank's offshore operation in the Cayman Islands in 1997, Mr. Lennon was a Manager in the Alternative Investments Group at KPMG in the Cayman Islands. Prior to Mr. Lennon's arrival in the Cayman Islands in 1997, he resided in Montreal, Canada, where he worked at both KPMG and Deloitte. Mr. Lennon is a member of the Institute of Chartered Accounts of Ontario (Canada), the American Institute of Certified Public Accountants, and he is a Chartered Financial Analyst charterholder. Mr. Lennon received a Graduate Diploma in Public Accounting from McGill University, Montreal, Canada and a Bachelor of Commerce (Honours) from Carleton University in Ottawa, Canada. Mr. Lennon is an approved Principal listed with the NFA and he has held appointments on entities that are registered with the SEC. Mr. Lennon is a member of the Executive Committee of the Cayman Islands Directors Association and a former member of the Board of Directors of the Cayman Islands Society of Financial Analysts.

The Underlying Fund's investment program is speculative and entails substantial risks. There can be no assurance that the investment objectives of the Underlying Fund will be achieved, or that investment results might not vary substantially on a monthly, quarterly or annual basis. In fact, the use of leverage, options, forward contracts, futures and derivatives and the limited diversification of the Underlying Fund's portfolio can, in certain circumstances, maximize the adverse impact to which the Underlying Fund may be subject. The Underlying Fund's activities could result in substantial losses under certain circumstances. (See "Risk Factors.")

There can be no assurance that the Fund or the Underlying Fund will achieve their investment objectives.

The Sponsor selected the Underlying Fund based on its analysis of Point72's past performance history, the portfolio it trades and its principals' backgrounds.

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 up to 10% 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 up to 10% 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

The following summary of Risk Factors is qualified in its entirety by reference to the more detailed information about the risks of an investment in the Underlying Fund, as set forth in the Underlying Fund Memorandum

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.

Underlying Fund Considerations

As the Fund intends to invest substantially all its assets in the Underlying Fund, other than a maximum of 10% in the Millennium Fund via the BMS Fund Class C, an investment in the Fund involves all of the risks of investing in the Underlying Fund in addition to those risks particular to the Fund. The Underlying Fund Memorandum contains a summary of the risks involved in any investment in the Underlying Fund, including the investment by the Fund, and no prospective Shareholder of the Fund should purchase Shares without carefully considering the summary of risks.

Past Performance Is Not Necessarily Indicative of Future Results. There can be no assurance that any trading strategies of Point 72 will produce profitable results. Because the potential return on the Shares is directly correlated to returns of the Underlying Fund, the failure of the Underlying Fund and Point72 to produce profitable results, and any losses of the Underlying Fund, will cause the Fund to fail to produce profitable results and suffer losses. The past performance of the Fund, the Underlying Fund, Point72 and the Sponsor is not necessarily indicative of how they will perform in the future. In particular, in view of the fact that prior to the date of this Memorandum the Fund had invested with another trading strategy through investment in another mutual fund, the past performance of the Fund cannot be indicative of any future performance following the intended investment into the Underlying Fund.

Strategy Restrictions; Concentration. The Fund will invest all or substantially all of the proceeds it receives from the sale of the Shares of the Underlying Fund other than a maximum of 10% in the Millennium Fund via the BMS Fund Class C. The allocation of substantially all of the Fund's assets to a single investment vehicle results in a lack of diversification and therefore increased risk. There can be no assurance that the Underlying Fund's strategy will effectively mitigate this risk.

Reliance on the Underlying Fund. The Fund and Sponsor will depend on Point72 and other service providers to the Underlying Fund, as applicable, for the ongoing operation of the Underlying Fund, and will receive only such information concerning the Underlying Fund as 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 Underlying Fund, Point72, the Administrator or other service providers to the Underlying Fund, as applicable.

The success of the Fund in meeting its investment objective depends largely on the ability of the Underlying Fund to successfully achieve its 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 Advisory Fee, Incentive Fee and other administrative, service and/or brokerage fees, transaction costs and ongoing operating and investment expenses of the Underlying Fund, as more fully described in the Underlying Fund Memorandum. 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 Underlying 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 Underlying Fund, as received from Point72, the Sponsor, the Underlying Fund's administrator or other service providers to the Underlying Fund. Any delays in the Underlying Fund's receipt of valuations and reports from its service providers in respect of its investments could impair the Underlying Fund's ability to report estimated and final valuations to the Fund. Significant delays in receipt of estimated or final valuations from the Underlying Fund 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 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 Underlying 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 Underlying Fund 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 Underlying Fund as a single investor and Shareholder investments in the Fund will not be separately tracked when it calculates the Incentive Fee to be allocated to Point72. Accordingly, it is possible for the Fund as a whole to pay the 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 Underlying Fund level will be diluted by the admission to the Fund of additional Shareholders.

Investment and Trading Risks in General. An investment in the Underlying Fund involves a high degree of risk, including the risk that the entire amount invested may be lost. The Underlying Fund will invest in and actively trade securities and other financial instruments using strategies and investment techniques with significant risk characteristics, including risks arising from the volatility of the global equity, currency, and fixed income markets, the risks of short sales, the risks of leverage, the potential illiquidity of derivative instruments, the risk of loss from counterparty defaults and the risk of borrowing to meet redemption requests. No guarantee is made that the Underlying Fund's investment program or overall portfolio, or various investment strategies utilized or investments made will have low correlation

with each other or with the U.S. equity market or that the Underlying Fund's returns will exhibit low long-term correlation with an investor's traditional securities portfolio. The Underlying Fund's investment program may utilize such investment techniques as margin transactions, option transactions, short sales and forward and futures contracts, which practices involve substantial volatility and can, in certain circumstances, substantially increase the adverse impact to which the Underlying Fund may be subject. All investments made by the Underlying Fund risk the loss of capital. No guarantee or representation is made that the Underlying Fund's investment program will be successful, that the Underlying Fund will achieve its targeted returns or that there will be any return of capital invested, and investment results may vary substantially over time. The past performance history of the Underlying Fund may not be indicative of the future results of the Underlying Fund.

Availability of Investment Strategies. The success of the Underlying Fund's investment and trading activities depends on the ability of the Underlying Fund Investment Manager to identify overvalued and undervalued investment opportunities and to exploit price discrepancies in the U.S. equity markets. Identification and exploitation of the investment strategies to be pursued by the Underlying Fund involves a high degree of uncertainty. No assurance can be given that the Underlying Fund Investment Manager will be able to identify suitable investment opportunities in which to deploy all of the Underlying Fund's capital. A reduction in overall market volatility and liquidity, as well as other market factors, may reduce the pool of profitable investment strategies for the Underlying Fund.

Diversification Risk. The Underlying Fund may, in the discretion of the Underlying Fund Investment Manager, invest in a limited number of investments. A consequence of the limited number of investments is that the aggregate returns realized by the Underlying Fund may be substantially adversely affected by the unfavorable performance of a small number of such investments. Although the Underlying Fund has developed diversification guidelines (which are subject to change in the discretion of the Underlying Fund board of directors and which may be exceeded from time to time in the discretion of the Underlying Fund Investment Manager), the Underlying Fund does not have fixed guidelines for, or hard limits on, diversification of its investments, and investments may likely be concentrated in relatively few companies and markets.

Limited Liquidity of Shares; Information Rights. The Underlying Fund is intended for long term investors who can accept the risks associated with investing primarily in securities that involve a high degree of financial risk and are potentially illiquid. There is no public market for the shares, and no such market is expected to develop in the future. Shareholders may not sell, transfer, exchange, assign, pledge, hypothecate or otherwise dispose of their Shares without the consent of the board of directors of the Underlying Fund. The possibility of partial or total loss of capital will exist, and prospective investors should not subscribe unless they can readily bear the consequences of such loss. Also, shareholders may request additional information and reporting and, as a result, may be able to act on such additional information (i.e., request redemptions) that other shareholders do not request or receive.

Small and Medium Capitalization Companies. A portion of the Underlying Fund's assets may be invested in the stocks of companies with small- to medium-sized market capitalizations. Those stocks, particularly smaller-capitalization stocks, may involve higher risks than do investments in stocks of larger companies. For example, prices of small-capitalization and even medium-capitalization stocks are often more volatile than prices of large-capitalization stocks and the risk of bankruptcy or insolvency of smaller companies (with the attendant losses to investors) may be higher than for larger, "blue-chip" companies. In addition, due to thin trading in some small-capitalization stocks, an investment in those stocks may be illiquid.

Special Investments. The Underlying Fund may invest a proportion of its assets via Subsidiary Funds and L/S Subsidiary Funds in direct private equity or debt investments, private equity funds and other

investments that the Underlying Fund Investment Manager, in its discretion, determines to have limited liquidity or are difficult to value ("**Special Investments**"). Special Investments and other assets and liabilities for which no such market prices are available will be carried on the books of the Underlying Fund at fair value (which may be cost) as reasonably determined by the Underlying Fund Investment Manager. There is no guarantee that fair value will represent the value that will be realized by the Underlying Fund on the eventual disposition of the investment or that would, in fact, be realized upon an immediate disposition of the investment. The Underlying Fund may not be able to readily dispose of Special Investments and, in some cases, may be contractually prohibited from disposing of such investments for a specified period of time. The sale of Special Investments often requires substantially more time and results in higher transaction costs than does the sale of more liquid securities eligible for trading on national securities exchanges or in the over-the-counter markets. Accordingly, Special Investments may sell at a price lower than similar Underlying Fund assets that are not subject to restrictions on resale.

Leverage. The Underlying Fund may utilize leverage in its investment strategy. Leverage may take the form of loans for borrowed money (*e.g.*, margin loans), and derivative securities and instruments that are inherently leveraged, including options, futures, forward contracts, swaps and repurchase agreements. The use of leverage by the Underlying Fund can substantially increase the market exposure (and market risk) to which the Underlying Fund's investment portfolio may be subject. Trading on leverage results in interest charges or costs, which may be explicit (in the case of loans) or implicit (in the case of many derivative instruments) and, depending on the amount of leverage, such charges or costs could be substantial. The level of interest rates generally, and the rates at which the Underlying Fund can leverage in particular, can affect the operating results of the Underlying Fund. The Underlying Fund's anticipated use of short-term margin borrowings results in certain additional risks to the Underlying Fund. For example, should the securities pledged to brokers to secure the Underlying Fund's margin accounts decline in value, the Underlying Fund could be subject to a "margin call", pursuant to which the Underlying Fund would be required either to deposit additional funds with the broker or to suffer mandatory liquidation of the pledged securities to compensate for the decline in value. In the event of a sudden precipitous drop in the value of the Underlying Fund's assets, the Underlying Fund might not be able to liquidate assets quickly enough to pay off its margin debt.

In the U.S. futures markets, margin deposits typically range between 1% and 15% of the value of the futures contracts purchased or sold. In the forward, currency and certain other over-the-counter derivative markets, margin deposits may be even lower or may not be required at all (although this situation is expected to change pursuant to the promulgation of margin rules under the Dodd-Frank Act by the relevant regulatory agency). In the current over-the-counter derivatives market, such low margin deposits are indicative of the fact that any trading in these markets typically is accompanied by a high degree of leverage. Low margin deposits mean that a relatively small adverse price movement in a futures or forward contract may result in immediate and substantial losses to the investor. For example, if at the time of purchase, 10% of the price of a futures contract is deposited as margin, a 10% decrease in the price of the futures contract would, if the contract is then closed out, result in a total loss of the margin deposit before any deduction for the brokerage commission. In addition, like other leverage investments, any purchase or sale of a futures, forward or other commodity contract may result in losses in excess of the margin deposit.

When the Underlying Fund purchases an option in the United States, there is no margin requirement because the option premium is paid for in full. The premiums for certain options traded on non-U.S. exchanges may be paid for on margin. When the Underlying Fund sells an option on a futures contract, it may be required to deposit margin in an amount that may be determined by the margin requirement established for the futures contract underlying the option and, in addition, an amount substantially equal to the current premium for the option. The margin requirements imposed on the writing of options,

although adjusted to reflect the probability that out-of-the-money options will not be exercised, can in fact be higher than those imposed in dealing in the futures markets directly. Whether any margin deposit will be required for over-the-counter ("OTC") options and other OTC instruments, such as currency forwards, swaps and certain other derivative instruments, will depend on the credit determinations and specific agreements of the parties to the transaction, which are individually negotiated. Under the Dodd-Frank Act, these margin requirements are expected to become regulated and higher than existed prior to the Dodd Frank Act.

Highly Volatile Markets. The prices of the Underlying Fund's investments, including, without limitation, common equity and related equity derivative instruments, high yield securities, convertible bonds, and other derivatives, including futures and option prices, can be highly volatile. Price movements of forward, futures and other derivative contracts in which the Underlying Fund's assets may be invested are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. In addition, governments from time to time intervene, directly and by regulation, in certain markets, particularly those in government bonds, currencies, financial instruments, futures and options. Such intervention often is intended directly to influence prices and may, together with other factors, cause all of such markets to move rapidly in the same direction because of, among other things, interest rate fluctuations. The Underlying Fund is also subject to the risk of the failure of any exchanges on which its positions trade or of its clearinghouses.

Short Sales. The Underlying Master Fund engages in short selling. Short selling involves selling securities that may or may not be owned by the seller and borrowing the same securities for delivery to the purchaser, with an obligation to replace the borrowed securities at a later date. Short selling allows the investor to profit from declines in the value of securities. A short sale creates the risk of a theoretically unlimited loss, in that the price of the underlying security could theoretically increase without limit, thus increasing the cost of buying those securities to cover the short position. There can be no assurance that the security necessary to cover a short position will be available for purchase. Purchasing securities to close out the short position can itself cause the price of the securities to rise further, thereby exacerbating the loss. Securities may be sold short by the Underlying Fund in a long/short strategy to hedge a long position, or to enable the Underlying Fund to express a view as to the relative value between the long and short positions. There is no assurance that the objectives of these strategies will be achieved, or specifically that the long position will not decrease in value and the short position will not increase in value, causing the Underlying Fund losses on both components of the transaction. In addition, when the Underlying Fund effects a short sale, it may be obligated to leave the proceeds thereof with the broker and also deposit with the broker an amount of cash or other securities (subject to requirements of applicable law) that is sufficient under any applicable margin or similar regulations to collateralize its obligation to replace the borrowed securities that have been sold.

Equity Securities. The Underlying Fund's investment portfolio includes equity and equity-related securities. Equity securities fluctuate in value in response to many factors, including the activities and financial condition of individual companies, the business market in which individual companies compete and industry market conditions and general economic environments. For example, beginning in September 2008, world financial markets experienced extraordinary market conditions resulting in extreme volatility in the global equity markets.

Call Options. The Underlying Fund may engage in the use of call options. There are risks associated with the sale and purchase of call options. The seller (writer) of a call option which is covered (*i.e.*, the writer holds the underlying security) assumes the risk of a decline in the market price of the underlying security below the purchase price of the underlying security less the premium received, and gives up the opportunity for gain on the underlying security above the exercise price of the option. The seller of an

uncovered call option assumes the risk of a theoretically unlimited increase in the market price of the underlying security above the exercise price of the option. The securities necessary to satisfy the exercise of the call option may be unavailable for purchase except at much higher prices. Purchasing securities to satisfy the exercise of the call option can itself cause the price of the securities to rise further, sometimes by a significant amount, thereby exacerbating the loss. The buyer of a call option assumes the risk of losing its entire investment in the call option. If the buyer of the call sells short the underlying security, the loss on the call will be offset in whole or in part by any gain on the short sale of the underlying security. The buyer of a call option assumes the risk of losing his entire investment in the call option. If the buyer of the call sells short the underlying security, the loss on the call will be offset in whole or in part by any gain on the short sale of the underlying security.

Put Options. The Underlying Fund may engage in the use of put options. There are risks associated with the sale and purchase of put options. The seller (writer) of a put option which is covered (*i.e.*, the writer has a short position in the underlying security) assumes the risk of an increase in the market price of the underlying security above the sales price (in establishing the short position) of the underlying security plus the premium received, and gives up the opportunity for gain on the underlying security below the exercise price of the option. The seller of an uncovered put option assumes the risk of a decline in the market price of the underlying security below the exercise price of the option. The buyer of a put option assumes the risk of losing his entire investment in the put option. If the buyer of the put holds the underlying security, the loss on the put will be offset in whole or in part by any gain on the underlying security.

Currencies. The Underlying Fund may from time to time invest a portion of the Underlying Fund's assets in non-U.S. equity securities and instruments or in securities or instruments denominated in non-U.S. currencies, the prices of which will be determined with reference to currencies other than the U.S. dollar. The Underlying Fund will, however, value its securities and other assets in U.S. dollars. The Underlying Fund may or may not seek to hedge all or any portion of the Underlying Fund's non-U.S. currency exposure. To the extent such positions are unhedged, the value of the Underlying Fund's assets may fluctuate with U.S. dollar exchange rates as well as the price changes of the Underlying Fund's investments in the various local markets and currencies.

Among the factors that may affect currency values are trade balances, the level of short-term interest rates, differences in relative values of similar assets in different currencies, long-term opportunities for investment and capital appreciation and political developments. An increase in the value of the U.S. dollar compared to the other currencies in which the Underlying Fund makes its investments will reduce the effect of increases and magnify the effect of decreases in the prices of the Underlying Fund's securities in their local markets. The Underlying Fund could realize a net loss on an investment, even if there were a gain on the underlying investment before currency losses were taken into account. The Underlying Fund may seek to hedge currency risks by investing in currencies, currency futures contracts and options on currency futures contracts, forward currency exchange contracts, swaps, swaptions or any combination thereof (whether or not exchange traded), but there can be no assurance that these strategies will be effective, and such techniques entail costs and additional risks.

Non-U.S. Investments. The Underlying Fund may invest a portion of its capital outside the United States in non-dollar denominated securities and instruments, including in securities and instruments issued by non-U.S. companies and the governments of non-U.S. countries and in non-U.S. currency. These investments involve special risks not usually associated with investing in securities of U.S. companies or the U.S. federal, state or local government. Because investments in securities and instruments issued by non-U.S. issuers may involve non-U.S. dollar currencies and because the Underlying Fund may temporarily hold funds in bank deposits in such currencies during the completion of its investment program, the Underlying Fund may be affected favourably or unfavourably by changes in currency rates

(including as a result of the devaluation of a non-U.S. currency) and in exchange control regulations and may incur transaction costs in connection with conversions between various currencies. In addition, because non-U.S. entities are not subject to uniform accounting, auditing, and financial reporting standards, practices and requirements comparable with those applicable to U.S. companies, there may be different types of, and lower quality, information available about a non-U.S. company than a U.S. company. There is also less regulation, generally, of the securities markets in non-U.S. countries than there is in the United States. Some non-U.S. securities markets have a higher potential for price volatility and relative illiquidity compared to the U.S. securities and capital markets. With respect to certain countries there may be the possibility of expropriation or confiscatory taxation, political, economic or social instability, limitation on the removal of funds or other assets or the repatriation of profits, restrictions on investment opportunities, the imposition of trading controls, withholding or other taxes on interest, dividends, capital gain, other income or gross sale or disposition proceeds, import duties or other protectionist measures, various laws enacted for the protection of creditors, greater risks of nationalization or diplomatic developments which could adversely affect the Underlying Fund's investments in those countries.

Purchasing IPOs. The Underlying Fund may purchase securities of companies in initial public offerings ("IPOs") or shortly thereafter. Special risks associated with these securities may include a limited number of shares available for trading, unseasoned trading, lack of investor knowledge of the issuer and limited operating history. These factors may contribute to substantial price volatility for the shares of these companies. In addition, some companies in IPOs are involved in relatively new industries or lines of business, which may not be widely understood by investors. Some of these companies may be undercapitalized or regarded as developmental stage companies, without revenues or operating income, or the near-term prospect of achieving them.

Trading in Indices and Financial Instruments. The Underlying Fund may trade indices and financial instruments. The effect of governmental intervention may be particularly significant at certain times in indices and financial instruments, and such intervention (as well as other factors) may cause all these markets to move rapidly in the same direction because of, among other things, interest-rate fluctuations.

Derivative Securities and Instruments Generally. Derivative securities and instruments, or "derivatives", include securities, instruments and contracts which are derived from and are valued in relation to one or more underlying securities, financial benchmarks or indices. Derivatives typically allow an investor to hedge or speculate upon the price movements of a particular security, financial benchmark or index at a fraction of the cost of acquiring, borrowing or selling short the underlying asset. The value of a derivative depends largely upon price movements in the underlying asset. Therefore, many of the risks applicable to trading the underlying asset are also applicable to derivatives trading. However, there are a number of additional risks associated with derivatives trading. Transactions in certain derivatives are subject to clearance on a U.S. national exchange and to regulatory oversight, while other derivatives are subject to risks of trading in the over-the-counter markets or on non-U.S. exchanges. Price movements of futures and options contracts and payments pursuant to swap agreements are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. The value of futures, options and swap agreements also depends upon the price of the commodities underlying them. In addition, the Underlying Fund's assets are also subject to the risk of the failure of any of the exchanges on which their positions trade or of their clearinghouses or counterparties.

Additional risks associated with derivatives trading include:

Tracking. When used for hedging purposes, an imperfect or variable degree of correlation between price movements of the derivative and the underlying investment sought to be hedged may prevent the Underlying Fund from achieving the intended hedging effect or expose the Underlying Fund to risk of

loss. If the Underlying Fund invests in derivatives at inopportune times or incorrectly judges market conditions, the investments may lower the return of the Underlying Fund or result in a loss. The Underlying Fund also could experience losses if derivatives are poorly correlated with its other investments.

Liquidity. Derivatives, especially when traded in large amounts, may not be liquid in all circumstances, so that in volatile markets the Underlying Fund may not be able to close out a position without incurring a loss. In addition, daily limits on price fluctuations and speculative position limits on exchanges on which the Underlying Fund may conduct its transactions in derivatives may prevent profitable liquidation of positions, subjecting the Underlying Fund to the potential of greater losses. The market for many derivatives is, or suddenly can become, illiquid. Changes in liquidity may result in significant, rapid and unpredictable changes in the prices for derivatives.

Operational Leverage. Trading in derivatives can result in large amounts of operational leverage. Thus, the leverage offered by trading in derivatives will magnify the gains and losses experienced by the Underlying Fund and could cause the Underlying Fund's net asset value to be subject to wider fluctuations than would be the case if the Underlying Fund did not use the leverage feature of derivatives.

Over-the-Counter Trading. Derivatives that may be purchased or sold by the Underlying Fund may include securities and instruments not traded on an exchange. The risk of non-performance by the obligor on a security or instrument may be greater than, and the ease with which the Underlying Fund can dispose of or enter into closing transactions with respect to a security or instrument may be less than, the risk associated with an exchange traded security. In addition, significant disparities may exist between "bid" and "asked" prices for derivatives that are not traded on an exchange. Derivatives not traded on exchanges also are not subject to the same type of government regulation as exchange traded securities, and many of the protections afforded to participants in a regulated environment may not be available in connection with the transactions.

General Considerations

Potential Loss of Investment. The Fund will be exposed to all the risks involved in the Underlying Fund's and the Millennium Fund's investments. Effectively, the Fund's investments will only be as diversified as those of the Underlying Fund in which it invests. There can be no assurance that the Fund or the Underlying Fund 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. Neither the Fund nor the Underlying Fund will 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 Underlying 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 and the Underlying Fund and the Millennium 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 and/or the Underlying Fund and/or the Millennium Fund.

General Investment Risks. There are at least three principal types of risk that can adversely affect the investment approach of the Underlying Fund: (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.

U.S. Dollar Denominated Shares. The Fund and the Underlying 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

Recent Market Events. The global financial markets are currently undergoing a period of unprecedented disruption and stress. Markets previously thought to be uncorrelated have been shown to be correlated, credit markets have in some cases ceased functioning, many markets have experienced record levels of volatility and governments have intervened in extraordinary and unpredictable ways, at

times on an emergency basis, to the detriment of certain market participants. It is impossible to predict what ongoing impact these events will have on the Underlying Fund and on the Underlying Fund's trading advisor, Point72. Many private investment funds recently have suffered significant losses. There can be no assurance that the Underlying Fund will be profitable in this market environment, or that it will avoid substantial (or total) losses.

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 Point72 is unlikely to be profitable, and Point72 has no ability to control or predict such market conditions.

Limited Liquidity of Investments. The market value of the Underlying Fund's investments may fluctuate with, among other things, changes in prevailing interest rates, general economic conditions, the condition of financial markets, developments or trends in any particular industry and the financial condition of the issuers of the securities in which the Underlying Fund invests. During periods of limited liquidity and higher price volatility, the Underlying Fund's ability to acquire or dispose of its investments at a price and time that the Underlying Fund Investment Manager deems advantageous may be impaired. As a result, in periods of rising market prices, the Underlying Fund may be unable to participate in price increases fully to the extent that it is unable to acquire desired positions quickly; the Underlying Fund's inability to dispose fully and promptly of positions in declining markets will conversely cause its net asset value to decline as the value of unsold positions is marked to lower prices.

In addition, a portion of the Underlying Fund's assets may from time to time be invested in securities and other financial instruments or obligations for which no market exists and/or which are restricted as to their transferability under federal or state securities laws, including private securities. Because of the absence of any trading market for these investments, the Underlying Fund may take longer to liquidate these positions than would be the case for publicly traded securities. Although these securities may be resold in privately negotiated transactions, the prices realized on these sales could be less than those originally paid by the Underlying Fund. Further, companies whose securities are not publicly-traded may not be subject to public disclosure and other investor protection requirements applicable to publicly-traded securities, which could expose the Underlying Fund to greater risk than it anticipated.

Trading Decisions Based on Technical Analysis. The trading decisions made on behalf of the Underlying Fund's 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. Point72 attempts to develop strategies, which will be successful under many possible future scenarios. However, there can be no guarantee that the strategies of Ivory will be effective or applicable to future market conditions. 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.

Availability of Investment Strategies. The success of the Underlying Fund's investment and trading activities depends on the ability of the Underlying Fund Investment Manager to identify overvalued and undervalued investment opportunities and to exploit price discrepancies in the U.S. equity markets. Identification and exploitation of the investment strategies to be pursued by the Underlying Fund involves a high degree of uncertainty. No assurance can be given that the Underlying Fund Investment Manager will be able to identify suitable investment opportunities in which to deploy all of the Underlying Fund's capital. A reduction in overall market volatility and liquidity, as well as other market factors, may reduce the pool of profitable investment strategies for the Underlying Fund.

Reliance on Key Personnel. Ivory has exclusive responsibility for trading positions for the Underlying Fund. Point72 depends on the services of a limited number of key persons. If they cannot or will not provide those services, it could adversely affect Point72's ability to trade for the Underlying Fund. If this occurs, the Sponsor may terminate the contract with Point72.

No Assurance of Point72's Continued Services. Either Point72 or the Underlying Fund can terminate the advisory contract on written notice.

Changes in Trading Strategies. Point72 can make any changes in its trading strategies if it believes that they will be in the Underlying Fund's best interests.

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 Point72 and its principals are combined with the Underlying Fund's positions established by it for position limit purposes. In order to avoid exceeding position limits, it is possible that Point72 will have to modify its trading instructions, and that positions held by the Underlying Fund will have to be liquidated. That could have a negative effect on the Underlying Fund's profitability. In addition, all commodity accounts of the Sponsor and its affiliates may also be combined with the Underlying Fund for position limit purposes.

Increase in Amount of Funds Managed. If Point72 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 Underlying Fund's investment results will be similar to Point72's past performance.

Other Clients of Point72. Point72 manages other accounts. This increases the competition for the same trades which the Underlying Fund makes. Point72 may manage other accounts that pay fees that are different than those the Underlying Fund pays. Therefore, it has a potential conflict of interest. There is no assurance that the Underlying Fund's trading will generate the same results as any other accounts Point72 manages.

Execution of Trades. Point72 relies on computer, telephone and related electronic equipment for the execution of trades. If such equipment fails and/or the firms handling Point72's computer and communications facilities are adversely affected, Point72 may not be able to execute trades, which could cause Point72's clients to incur losses or miss trading opportunities. Ivory intends to use back-up equipment and facilities to try to minimize the impact of such potential execution problems.

Trading Errors. Point72 relies on its staff to properly operate and maintain the computer and communication systems upon which the trading systems rely. Point72's systems are accordingly subject to human errors, including the failure to implement, or the inaccurate implementation of any of Point72'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.

Systems Failure. Point72'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 Point72'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. Point72'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 Point72'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 Underlying Fund'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 Underlying Fund goes bankrupt, the Underlying Fund could lose money as it may only be able to recover a pro rata share of the property available for distribution to all of such broker's customers. In addition, even if such broker adequately segregates the Underlying Fund's assets, the Underlying Fund may still be subject to risk of loss of funds on deposit with such broker should another customer of such broker fail to satisfy deficiencies in such other customer's account.

Other institutions will have custody of the assets of the Underlying Fund, including the custodian and various other banks or financial institutions whose services are utilized by the Underlying Fund. Such institutions may encounter financial difficulties that impair the Underlying Fund's operating capabilities or capital position. The Sponsor will attempt to limit the Underlying Fund's deposits and transactions to only well-capitalized institutions in an effort to mitigate such risks, but there can be no assurance that even a well-capitalized, major institution will not become bankrupt or otherwise fail.

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

FOREIGN INSTRUMENTS

Forward and Cash Trading. The Underlying Fund may trade in spot and forward contracts on currencies. For this purpose, the Underlying Fund will contract with or through NAST to make or take future delivery of a particular currency. NAST or its affiliates may extend the Underlying Fund a credit line to enable it to engage in such trading. The Underlying Fund may also trade options on currencies. Although the currency market is not believed to be necessarily more volatile than the market in other commodities, there is less protection against defaults in the forward trading of currencies because such contracts are not effected on or through an exchange or clearinghouse. Trading in forward currencies and over-the-counter derivatives, including swaps and options, among sophisticated market participants is not generally regulated by any regulatory body. Therefore, with respect to this trading, the Underlying Fund

is not afforded the protections provided by trading on regulated exchanges, including segregation of funds. In any principal contract, the Underlying Fund must rely on the creditworthiness of its counterparty.

The trading of over-the-counter instruments subjects the Underlying Fund to a variety of risks including: 1) counterparty risk; 2) basis risk; 3) interest rate risk; 4) settlement risk; 5) legal risk; and 6) operational risk. Counterparty risk is the risk that the Underlying Fund's counterparties might default on their obligation to pay or perform generally on their obligations. The over-the-counter markets and some foreign markets are "principals' markets." That means that performance of the contract is the responsibility only of the individual firm or member on the other side of the trade and not any exchange or clearing corporation. Such "counterparty risk" is accentuated for contracts with longer maturities where events may intervene to prevent settlement, or where the Underlying Fund has concentrated its transactions with a single or small group of counterparties. Basis risk is the risk attributable to the movements in the spread between the derivative contract price and the future price of the underlying instrument. Interest rate risk is the general risk associated with movements in interest rates. Settlement risk is the risk that a settlement in a transfer system does not take place as expected. Legal risk is the risk that a transaction proves unenforceable in law or because it has been inadequately documented. Operational risk is the risk of unexpected losses arising from deficiencies in a firm's management information, support and control systems and procedures. Transactions in over-the-counter derivatives may involve other risks as well, as there is no exchange market on which to close out an open position. It may be impossible to liquidate an existing position, to assess the value of a position or to assess the exposure to risk.

Exchange for Physicals. Point72 may exchange a cash, forward or spot market position outside of regular trading hours for a comparable futures position. Such transactions are subject to counterparty creditworthiness risk. See "Forward and Cash Trading" above. The CFTC has permitted the futures exchanges to expand the types of over-the-counter positions that can be part of an exchange for physicals position.

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

LIQUIDITY

Limited Ability to Liquidate Interest. The Fund may not be able immediately to liquidate its Underlying Shares in the Underlying Fund. There is no market for the Underlying Shares and none is likely to develop. The Fund may, however redeem its Underlying Shares, without penalty, on the relevant redemption days, subject to certain limitations. In order to redeem, the Fund is required to give at least 45 days' written notice prior to a quarter end, subject to a 25% investor-level gate, to the administrator of the Underlying Fund (with a copy to the Underlying Fund Investment Manager) subject to all of the provisions set forth in the Underlying Fund Memorandum applicable to redemptions. Because of the time delay between the notice to the Underlying Fund and the end of the month when your investment is redeemed, the value of the investment on the date of redemption may be substantially less than at the time the Fund sends in its request to redeem. The Sponsor may establish (and increase or decrease from time to time) such reserves for the Underlying Fund for: (a) estimated accrued costs or expenses and (b) contingent, unknown or unfixed debts, liabilities or obligations of the Underlying Fund, even if such reserves are not required by generally accepted accounting principles.

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

No Automatic Trading Suspension. A prospective Shareholder should only acquire Shares if it is looking for a long-term investment. The Underlying Fund does not have an automatic Trading Suspension Level which requires it to suspend or terminate trading as a result of losses. Therefore, investors in the Underlying Fund will be required to monitor the value of their investment and determine whether the Underlying Fund's performance warrants continued investment. Because investors will receive regular performance reports, it is possible that the Underlying Fund could incur substantial losses before an investor could redeem his Interest in the Underlying Fund, and as a result, a before a Shareholder has the opportunity to redeem its Shares in the Fund.

Compulsory Redemptions. The Underlying Fund may require the Fund to redeem its Underlying Shares at any time and for any reason. It generally will only require redemptions in order for the Underlying Fund to comply with certain regulations.

TAX AND REGULATORY ISSUES

CIRCULAR 230 NOTICE - THE FOLLOWING NOTICE IS BASED ON U.S. TREASURY REGULATIONS GOVERNING PRACTICE BEFORE THE U.S. INTERNAL REVENUE SERVICE: (1) ANY U.S. FEDERAL TAX ADVICE CONTAINED HEREIN, INCLUDING ANY OPINION OF COUNSEL REFERRED TO HEREIN, IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, BY ANY TAXPAYER FOR THE PURPOSE OF AVOIDING U.S. FEDERAL TAX PENALTIES THAT MAY BE IMPOSED ON THE TAXPAYER; (2) ANY SUCH ADVICE IS WRITTEN TO SUPPORT THE PROMOTION OR MARKETING OF THE TRANSACTIONS DESCRIBED HEREIN (OR IN ANY SUCH OPINION OF COUNSEL); AND (3) EACH TAXPAYER SHOULD SEEK ADVICE BASED ON THE TAXPAYER'S PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISER.

THE DISCUSSION HEREIN IS FOR INFORMATIONAL PURPOSES ONLY AND IS A DISCUSSION PRIMARILY OF THE U.S. TAX CONSEQUENCES TO PROSPECTIVE SHAREHOLDERS. EACH PROSPECTIVE SHAREHOLDER SHOULD CONSULT ITS PROFESSIONAL TAX ADVISER WITH RESPECT TO THE TAX ASPECTS OF AN INVESTMENT IN THE FUND. TAX CONSEQUENCES MAY VARY DEPENDING UPON THE

PARTICULAR STATUS OF A PROSPECTIVE SHAREHOLDER. IN ADDITION, SPECIAL CONSIDERATIONS (NOT DISCUSSED HEREIN) MAY APPLY TO PERSONS WHO ARE NOT DIRECT SHAREHOLDERS IN THE FUND BUT WHO ARE DEEMED TO OWN SHARES AS A RESULT OF THE APPLICATION OF CERTAIN ATTRIBUTION RULES.

Neither of the Fund nor the Underlying Fund has sought a ruling from the U.S. Internal Revenue Service (the "Service") or any other U.S. federal, state or local agency with respect to any of the tax issues affecting the Fund, the Underlying Fund, nor has any of them obtained an opinion of counsel with respect to any tax issues.

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

U.S. Trade or Business

Section 864(b)(2) of the U.S. Internal Revenue Code of 1986, as amended (the "IRC"), provides a safe harbor (the "Safe Harbor") applicable to a non-U.S. corporation (other than a dealer in securities) that engages in the U.S. in trading securities (including contracts or options to buy or sell securities) for its own account pursuant to which such non-U.S. corporation will not be deemed to be engaged in a U.S. trade or business. The Safe Harbor also provides that a non-U.S. corporation (other than a dealer in commodities) that engages in the U.S. in trading commodities for its own account is not deemed to be engaged in a U.S. trade or business if "the commodities are of a kind customarily dealt in on an organized commodity exchange and if the transaction is of a kind customarily consummated at such place." Pursuant to proposed regulations, a non-U.S. taxpayer (other than a dealer in stocks, securities or derivatives) that effects transactions in the United States in derivatives (including (i) derivatives based upon stocks, securities and certain commodities and currencies, and (ii) certain notional principal contracts based upon an interest rate, equity or certain commodities and currencies) for its own account is not deemed to be engaged in a United States trade or business. Although the proposed regulations are not final, the Service has indicated in the preamble to the proposed regulations that for periods prior to the effective date of the proposed regulations, taxpayers may take any reasonable position with respect to the application of Section 864(b)(2) of the IRC to derivatives, and that a position consistent with the proposed regulations will be considered a reasonable position.

If the only trade or business activity of the Underlying Fund in the United States is investing or trading in stocks, securities or certain commodities for its own account (directly or through other entities classified as partnerships for tax purposes, such as the Subsidiary Funds), the Underlying Fund is expected to satisfy the conditions of a statutory "Safe Harbor" that treats a non-U.S. corporation that trades in stock, securities or certain commodities in the United States as not being engaged in a trade or business in the United States. Nevertheless, if the Underlying Fund conducts business activities in the United States and fails to operate in a manner that meets the conditions of this Safe Harbor, the Underlying Fund could become subject to regular U.S. federal income taxation. For example, if, due to its participation therein, the Underlying Fund is deemed to have originated loans in the United States, then it may fail to meet the conditions of the Safe Harbor and could become subject to regular U.S. federal income taxation.

Based on the above, the Underlying Fund's securities and commodities trading activities are not expected to constitute a U.S. trade or business and, except in the limited circumstances discussed herein, the

Underlying Fund is not expected to be subject to the regular U.S. income tax on any of its trading profits. An Underlying Fund that meets the Safe Harbor is also not expected to be subject to regular U.S. income tax. However, if certain of the Underlying Fund's activities were determined not to be of the type described in the Safe Harbor, the Underlying Fund's activities may constitute a U.S. trade or business, in which case the Underlying Fund would be subject to U.S. income and branch profits tax on its allocable share of the income and gain from those activities. Even if the Underlying Fund's securities trading activity does not constitute a U.S. trade or business, gains realized from the sale or disposition of stock or securities (other than debt instruments with no equity component) of U.S. Real Property Holding Corporations (as defined in Section 897 of the IRC) ("**USRPHCs**"), including stock or securities of certain Real Estate Investment Trusts ("**REITs**"), will be generally subject to U.S. income tax on a net basis. However, a principal exception to this rule of taxation may apply if such USRPHC has a class of stock which is regularly traded on an established securities market and the Underlying Fund generally did not hold (and was not deemed to hold under certain attribution rules) more than 5% of the value of a regularly traded class of stock or securities of such USRPHC at any time during the five year period ending on the date of disposition.¹ Moreover, if the Underlying Fund were deemed to be engaged in a U.S. trade or business as a result of owning a limited partnership interest in a U.S. business partnership or a similar ownership interest, income and gain realized from that investment would be subject to U.S. income and branch profits tax.

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.

UK-Cayman Islands Intergovernmental Agreement

The Cayman Islands government entered into a model 1B non-reciprocal inter-governmental agreement with the UK (the "**UK IGA**") on 5 November 2013. On 4 July 2014, the Cayman Islands government issued The Tax Information Authority (International Tax Compliance) (United Kingdom) Regulations, 2014 (the "**UK FATCA Regulations**") to accompany the TIA Act to implement the UK IGA. The UK FATCA Regulations provide for the identification of and reporting on certain direct and indirect UK investors, and impact the Fund and its investors.

The Fund will be required to report to the Cayman TIA under the UK FATCA Regulations and will accordingly need to identify and undertake prescriptive due diligence on 'UK Reportable Accounts', being financial accounts held by UK tax resident individuals or entities controlled by UK tax resident persons. In this regard, the Fund may request further information from an investor in order to identify UK Reportable Accounts and in order to comply with its obligations under the UK FATCA Regulations. The Cayman TIA may then provide this information to HM Revenue and Customs.

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 Standard 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 investors should seek independent professional tax advice.

Request for Information

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 Underlying 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 Underlying Fund has the right to invest in securities, you are not protected by the 1940 Act. Ivory is registered as an investment adviser under the U.S. Investment Advisers Act of 1940, as amended. Belmont Capital is, however, registered with the CFTC as a CTA and CPO, is also registered as a Broker Dealer with the SEC and is a member of FINRA. ATC is registered with the CFTC as a CTA and CPO. The Underlying Fund may be categorized as an Intermediate Customer under the Unregulated Collective Investment Schemes of the Rules under the United Kingdom’s (U.K.) Financial Services Authority. As a result, the Underlying 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 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 or the Underlying Fund.

If the Fund or any other investor in the Underlying Fund brings any proceeding alleging that such conflicts violated any duty owed by the Sponsor to you or another Shareholder, the Sponsor as the sponsor of the Fund intends to claim that, by subscribing to the Underlying Fund, the Fund (and in turn the Shareholders of the Fund) consented to the conflicts of interest described below and elsewhere in this Memorandum.

Other Commodity Pools. The Sponsor acts as the Sponsor for other pools. It may have a financial incentive to favor those pools (or others it may form in the future) over the Underlying Fund. Pursuant to CFTC Regulation 4.7 the performance information for such other pools is not required to be and is not disclosed in this Offering Memorandum.

Possible Effects of Competition. Because other traders may use trading strategies similar to those of Point72, there may be competition for the same securities. Accounts currently managed by Point72 seek execution of trading orders similar to those of the Underlying Fund. In addition, Point72, the Sponsor, the Underlying Fund brokers, and their affiliates may trade for their own accounts or the accounts of their principals. Accounts managed by Point72 and its principals are aggregated for purposes of applying the speculative position limits. If those limits apply, the Underlying Fund's trading patterns could change. The records of that trading will not be made available to you. It is possible that those persons may take positions either similar or opposite to or ahead of positions taken by the Underlying Fund and may compete with the Underlying Fund for positions.

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. 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.

Duties to Contract Markets and the NFA. Certain officers, directors and employees and principals of the Sponsor, any brokers to the Underlying Fund and Point72 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 Underlying Fund.

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

Underlying Fund Conflicts. The Underlying Fund is subject to a number of actual and potential conflicts of interest. The Underlying Fund Investment Manager also provides services to other investment funds with investment programs similar to that of the Underlying Fund (each, an "**Affiliated Fund**" and collectively, the "**Affiliated Funds**"). The Underlying Fund Investment Manager and its partners and affiliates may carry on investment activities for their own accounts, for family members or affiliates and for other clients, including other investment funds sponsored by the Underlying Fund Investment Manager or its affiliates, including Affiliated Funds, in which the Underlying Fund will have no interest (collectively, "**Other Accounts**"). The investment programs of such Other Accounts may or may not be substantially similar to that of the Underlying Fund. The Underlying Fund Investment Manager and its affiliates may give advice or take action with respect to the investments of the Underlying Fund that may not be given or taken with respect to one or more Other Accounts with similar investment programs, objectives and strategies. Accordingly, the Underlying Fund may not hold the same securities or instruments or achieve the same performance as Other Accounts having similar strategies. These activities also may adversely affect the prices and availability of other securities or instruments held by or potentially considered for the Underlying Fund.

It is the policy of the Underlying Fund Investment Manager to allocate investment opportunities fairly and equitably among the Underlying Fund and Other Accounts, where applicable, to the extent possible over a period of time. The Underlying Fund Investment Manager, however, will have no obligation to purchase, sell or exchange any security or financial instrument for the Underlying Fund which the Underlying Fund Investment Manager may purchase, sell or exchange for one or more Other Accounts if the Underlying Fund Investment Manager believes in good faith at the time the investment decision is made that such transaction or investment would be unsuitable, impractical or undesirable for the Underlying Fund.

As a general policy, investment opportunities will be allocated among those accounts for which participation in the respective opportunity is considered appropriate *pro rata* based on the relative capital size of the accounts. In addition, the Underlying Fund Investment Manager may also take into consideration such other factors as the investment programs of the accounts, tax consequences, legal or regulatory restrictions, including those that may arise in non-U.S. jurisdictions, the relative historical participation of an account in the investment, the difficulty of liquidating an investment for more than one account, the possibility that an allocation may result in a small or odd lot, new accounts with a substantial amount of investable cash and such other factors considered relevant. Such considerations may result in allocations among the Underlying Fund and one or more Other Accounts on other than a *pari passu* basis (which could result in different performance among them).

The Underlying Fund Investment Manager may periodically rebalance the holdings of the Affiliated Funds and the Underlying Fund based on relative capital flows into or out of such funds. The Underlying Fund Investment Manager generally rebalances with the assistance of the prime broker that, as custodian, holds the applicable security. The appropriate prime broker makes a journal entry and books the transaction at the closing price from the business day immediately prior to the effective date of the transaction. For securities that are not eligible to complete the rebalancing in the above manner, and for futures and options, the Underlying Fund Investment Manager generally executes the transaction in the open market, based on the then-current independent market price. When a rebalancing occurs with respect to such Affiliated Funds in which the Underlying Fund Investment Manager, including its principals and employees, have 25% or more of the holdings in such fund, an independent third party, unrelated to the Underlying Fund Investment Manager, will be appointed, compensated and indemnified with respect to consenting to such transaction on a case-by-case basis.

Affiliates of the Underlying Fund Investment Manager may organize, or otherwise acquire a controlling interest in, a registered broker-dealer (an "**Affiliated Broker-Dealer**"). Some or all of the principals and Belmont Long Short Alpha Fund, Ltd.

employees of the Investment Manager may be principals or employees of the Affiliated Broker-Dealer (collectively, "**Interested Persons**"). Interested Persons will be entitled to compensation based, in part, upon the amount of commission business received by the Affiliated Broker-Dealer from the Underlying Fund, as well as other fees and revenues generated by the Underlying Fund and, accordingly, may be deemed to have a conflict of interest with respect to the utilization of the Affiliated Broker-Dealer as compared with other broker-dealers, as well as with respect to the extent and frequency of portfolio transactions executed through the Affiliated Broker-Dealer. Subject to the Underlying Fund Investment Manager's obligation to obtain best execution, in such case the Affiliated Broker-Dealer could effect a significant portion of the Underlying Fund's portfolio transactions as introducing broker. Such commission rates would not be the result of arms' length negotiation. It is also possible that the Underlying Fund and/or an Affiliated Fund may, directly or indirectly, acquire an interest in a registered broker-dealer with respect to which a principal of the Underlying Fund Investment Manager serves, without compensation, as a director or in a similar executive capacity. Subject to the Underlying Fund Investment Manager's obligation to seek best execution, such broker dealer may effect a significant portion of the portfolio transactions for the Underlying Fund (as well as portfolio transactions for other Affiliated Funds).

The Underlying Fund Investment Manager and its partners and employees will devote as much of their time to the activities of the Underlying Fund as they deem necessary and appropriate. The Underlying Fund Investment Manager and its affiliates are not restricted from forming additional investment funds, from entering into other investment advisory relationships or from engaging in other business activities, even though such activities may be in competition with the Underlying Fund and/or may involve substantial time and resources. These activities could be viewed as creating a conflict of interest in that the time and effort of the partners of the Underlying Fund Investment Manager and its officers and employees will not be devoted exclusively to the business of the Underlying Fund but will be allocated between the business of the Underlying Fund and such other activities. Future activities by the Underlying Fund Investment Manager and its affiliates, including the establishment of other investment funds, may give rise to additional conflicts of interest.

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 substantially all of its assets in trading vehicles managed by a single trading manager that is not affiliated with the Sponsor.

Possibility of Fraud and Other Misconduct. With respect to the Fund's investment in the Underlying Fund, none of the Sponsor or the Administrator of the Fund will have custody of the Fund's capital that is contributed to the Underlying Fund and then re-deployed principally through allocations by the Underlying Fund. There will always be the risk that the Sponsor, Point72, the prime brokers, administrators, custodians or other service providers and persons with access to the assets of the Underlying 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 Underlying Fund level is substantially dependent upon the expertise of Ivory 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 Underlying Fund, and consequently, the Fund may be adversely affected.

Litigation Risk. The Underlying Fund 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 Underlying Fund and could incur substantial legal expenses in connection with any such lawsuit or regulatory action.

Change in Investment Objective and Strategies. The Underlying Fund 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 the Underlying Fund notifies the Sponsor that the Underlying Fund'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 Underlying Fund's investment objectives and strategies will not change from those disclosed in the Underlying Fund 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 Advisory Fee, Incentive Fee and other costs and expenses of the Underlying Fund and the Millennium 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 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 Underlying Fund or Point72 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.

The Fund May Be Required to Redeem from the Underlying Fund. The Underlying Fund may require the Fund to redeem the entirety of its Underlying Shares at any time and for any reason. If the Fund is required to redeem entirely from the Underlying Fund, the Directors may elect, in their discretion, to dissolve the Fund or recommend that the Fund invest in a different underlying investment vehicle, each as described in this Memorandum and in the Articles.

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 Share held by such Shareholder that remain outstanding during the month (*a 1.0% annual rate*).

The above fees will be due in arrears but an estimated 95% of the fees due in the current month may be paid out towards the end of that month, with the balance being paid upon completion of the calculation of the Net Asset Value for that month.

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 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 0.0833% 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% annual rate*).

The above fees will be due in arrears but an estimated 95% of the fees due in the current month may be paid out towards the end of that month, with the balance being paid upon completion of the calculation of the Net Asset Value for that month.

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.

Underlying Fund Advisory Fee

As a holder of Underlying Shares in the Underlying Fund, the Fund will bear its *pro rata* share of a management fee charged by the Underlying Fund (the "**Advisory Fee**").

The Underlying Fund Investment Manager, or such other entity as the Underlying Fund Investment Manager may designate, will receive a fixed Advisory Fee from the Underlying Fund. The Underlying Fund generally will pay the Advisory Fee monthly, in advance, in an amount equal to 1/12 of 2.75% (2.75% per annum) of the net asset value of each Class and Series of Underlying Shares as of the first business day of that month, prior to taking into account any accrued (but uncharged) Pass-Through Expenses (as defined in the Underlying Fund Memorandum) and Incentive Fees (as defined below) and after giving effect to any contributions, redemptions or distributions effective as of such date. The Advisory Fee determined with respect to a Class and Series of Underlying Shares will reduce the net asset value of such Class and Series of Underlying Shares. The Advisory Fee to be charged with respect to a Class and Series of Underlying Shares may be waived, rebated, reduced or calculated differently by the Underlying Fund Investment Manager. For the avoidance of doubt, the other Classes and Series of Underlying Shares will not bear an increased Advisory Fee as a result of any such waiver or reduction. The Underlying Fund Investment Manager may, in its sole discretion, cause the Advisory Fee charged in respect of a Class and Series of Underlying Shares to be increased upon prior notice to shareholders holding such Class and Series of Underlying Shares and an opportunity to redeem such Underlying Shares prior to the effectiveness of such increase. The Underlying Fund Investment Manager may, in its sole discretion and without the consent of the shareholders, cause all or a portion of the Advisory Fee to be charged to and paid by the Subsidiary Funds instead of the Underlying Fund. The Underlying Fund Investment Manager may determine to charge an Advisory Fee at a lower rate with respect to the portion of the Underlying Fund's capital invested in a specific Subsidiary Fund.

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

No management or advisory fees are charged at the Fund level.

Underlying Fund Incentive Fee

Underlying Shares bear a performance-based incentive fee (the “**Incentive Fee**”) payable to the Underlying Fund Investment Manager, or such other entity as the Underlying Fund Investment Manager may designate, which will be determined with respect to each Class and Series of Underlying Shares and will be charged at the end of each fiscal year or upon a redemption. The Incentive Fee with respect to a Class or Series of Underlying Shares for a fiscal year will be equal to the Incentive Fee Rate (as defined below) of the Net Profits allocated to such Class or Series of Underlying Shares for such fiscal year (calculated with deduction of the Advisory Fee and Pass-Through Expenses).

“Net Profits” for any accounting period which are allocated to a Class or Series of Underlying Shares means the excess of: (i) the aggregate revenue, income and gains (realized and unrealized) earned during the period from all sources allocated to such Class or Series of Underlying Shares and any reserves allocated to such Class or Series of Underlying Shares released during the period, less (ii) the expenses during the period (not including the Advisory Fee, Pass-Through Expenses and/or Incentive Fees, if any, but including the internal administration fee of the Underlying Fund) and losses (realized and unrealized) incurred during the period allocated to such Class or Series of Underlying Shares and any reserves allocated to such Class or Series of Underlying Shares established during the period.

“Net Losses” for any accounting period, which are allocated to a Class or Series of Underlying Shares means the excess of: (i) the expenses during the period (not including the Advisory Fee, Pass-Through Expenses and/or Incentive Fees, if any, but including the internal administration fee of the Underlying Fund) and losses (realized and unrealized) incurred during the period allocated to such Class or Series of Underlying Shares and any reserves allocated to such Class or Series of Underlying Shares established during the period, less (ii) the aggregate revenue, income and gains (realized and unrealized) earned during the period from all sources allocated to such Class or Series of Underlying Shares and any reserves allocated to such Class or Series of Underlying Shares released during the period.

The “Incentive Fee Rate” with respect to a Class and Series of Underlying Shares will be calculated on a sliding rate of 10% to 30% applied in a linear manner based upon the annualized Net Rate of Return allocated to such Class and Series of Underlying Shares of 0% to 20%. The Incentive Fee rate will be capped at 30% for any Net Rate of Return in excess of 20% and will be subject to a minimum rate of 10% if the Net Rate of Return is zero or negative. For the avoidance of doubt, if the Net Profit, less the Advisory Fees and Pass-Through Expenses, allocated to a Class and Series of Underlying Shares is positive for a Fiscal Year an Incentive Fee will be incurred even if the Net Rate of Return is negative.

“Net Rate of Return” for a Class and Series of Underlying Shares and an accounting period means the annualized percentage change in the net asset value of such Class and Series of Underlying Shares resulting from Net Profits or Net Losses, as applicable, after deducting the Advisory Fee, Pass-Through Expenses and the Incentive Fee, if any. For purposes of determining the annualized Net Rate of Return for a Class and Series of Underlying Shares, the Underlying Fund Investment Manager will take into account the Net Rate of Return for the period since the most recent date as of which an Incentive Fee was charged to such Class and Series of Underlying Shares (or since the establishment of such Class and Series of Underlying Shares if it has not been charged an Incentive Fee). For example, a Class and Series of Underlying Shares with a Net Rate of Return for a fiscal year equal to 12% reflects the application of an Incentive Fee at a rate equal to 22%, and a Class and Series of Underlying Shares with a Net Rate of Return for a fiscal year equal to 25% reflects the application of an Incentive Fee at a rate equal to 30%. The Incentive Fee is accrued on a monthly basis based on the annualized Net Rate of Return. For example, a Class and Series of Underlying Shares with a 5% Net Rate of Return for the period from 1st January through 30th June would yield an annualized Net Rate of Return of 10.25%. A 10.25% annualized Net Rate of Return reflects the application of an Incentive Fee Rate equal to 20.25%.

The Underlying Fund will maintain a memorandum loss recovery account (a “Loss Recovery Account”) for each Class and Series of Underlying Shares, the opening balance of which will be zero. For each fiscal year, the Loss Recovery Account in respect of a Class and Series of Underlying Shares will be credited with the aggregate Net Losses, if any, and any Advisory Fees and Pass-Through Expenses allocated to such Class and Series of Underlying Shares for such fiscal year. Such Loss Recovery Account will be debited (but not beyond zero) with the excess Net Profit, if any, allocated to such Class and Series of Underlying Shares (calculated with deduction of the Advisory Fee and Pass-Through Expenses) for the applicable period or fiscal year. No Incentive Fee will be payable with respect to a Class and Series of Underlying Shares until any positive balance in the corresponding Loss Recovery Account has been reduced to zero. A positive balance in a Loss Recovery Account will be proportionally reduced for redemptions of Underlying Shares of such Class and Series. Additional subscriptions will not affect the Loss Recovery Account related to a Class and Series of Underlying Shares.

If any portion of a Class and Series of Underlying Shares is redeemed prior to year-end, an Incentive Fee with respect to such redeemed Underlying Shares will be determined, based upon the annualized Net Rate of Return for such Class and Series of Underlying Shares, charged and may be paid at such time with respect to the portion of such Class and Series of Underlying Shares redeemed in the Underlying Fund Investment Manager’s discretion. If the Underlying Fund Investment Management Agreement between the Underlying Fund and the Underlying Fund Investment Manager is terminated or the Underlying Fund is dissolved other than as of the end of a fiscal year, an Incentive Fee may be payable as of the date of termination as if it were the end of the fiscal year in the Underlying Fund Investment Manager’s discretion.

Notwithstanding the foregoing, the Incentive Fee otherwise charged to a Class and Series of Underlying Shares may be waived, rebated or reduced by the Underlying Fund Investment Manager in its sole discretion, the method of the calculation of the Incentive Fee may be changed with respect to such Class and Series of Underlying Shares, or, with the consent of shareholders holding such Class and Series of Underlying Shares, the Incentive Fee of such Class and Series of Underlying Shares may be increased.

The Underlying Fund Investment Manager may, in its sole discretion and without the consent of the Underlying Fund shareholders, cause all or a portion of the Incentive Fee to be charged to and paid by the Subsidiary Funds instead of the Underlying Fund. The Underlying Fund Investment Manager or an affiliate may receive an incentive allocation from the Underlying Fund or one or more Subsidiary Funds in an amount equal to (and in lieu of) some or all of the Incentive Fee. For the avoidance of doubt, any such change to the Incentive Fee will not result in an increase to the Incentive Fee (or alternative incentive compensation arrangement) borne by any shareholder. Underlying Fund shareholders will not be given any special right to redeem from the Underlying Fund as a result of any such restructuring of the Incentive Fee. 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 Incentive Fee. Accordingly, each Shareholder of the Fund, regardless of Class and regardless of individual experience as an investor in the Fund, will bear a pro rata share of any Incentive Fee incurred by the Fund as a limited partner in the Underlying Fund.

No incentive fees are charged at the Fund level.

Fees and Operating Expenses of the Underlying Fund

The Fund, as a holder of Underlying Shares in the Underlying Fund, will also pay its pro rata portion of the Underlying Fund’s fees and expenses which include trading expenses (e.g., administrative fees, interest expense, brokerage commissions, taxes, research costs, legal and accounting expenses) and other operating expenses.

All Shareholders of the Fund, regardless of Class or Series, will bear their pro rata share of the Underlying Fund's trading and operational expenses.

The Fund's Operating Expenses and Administration Fee.

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 Fund will charge an Administration Fee to the Sponsor. The Administration Fee will be paid monthly in arrears and will be calculated as the lower of (i) 0.0625% of the aggregate month end Net Asset Value of each Share held by such Shareholders that remain outstanding during the month (a 0.75% annual rate) (ii) an amount equal to 0.083% of the aggregate month end Net Asset Value of each Share held by such Shareholders that remain outstanding during the month (a 1.0% annual rate) less the monthly expenses payable by the Fund and attributable to any parties other than the Sponsor, including but not limited to audit fees, fund administrator fees, custodian fees, bank charges, directors' fees, legal costs and any costs associated with regulatory filings in the Cayman Islands, the US or any other jurisdictions in which the Fund is subject to regulatory oversight or registration requirements. The Administration Fee will be due in arrears but an estimated 95% of such fees due in the current month may be paid out towards the end of that month, with the balance being paid upon completion of the calculation of the Net Asset Value for that month. Any receivables due to the Fund from the Sponsor as a result of historical expense caps shall be paid by Belmont CAC Limited, trading as Belmont Investments, an affiliated company of the Sponsor, incorporated in the Republic of Ireland. The Sponsor in its discretion may determine to bear the pro rata portion of the Fund's operational expenses attributable to certain Classes of Shares.

The Fund, as a holder of Underlying Shares in the Underlying Fund, will also pay its *pro rata* portion of the Underlying Fund's operating expenses and expenses incurred in connection with the Underlying Shares in the Underlying Fund. All Shareholders of the Fund, regardless of the Class or Series of Shares, will bear their *pro rata* share of the Underlying Fund's operational expenses.

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 of Shares, will pay its allocable pro rata share of such fees.

The Fund's Organizational Expenses.

The Fund's organizational and initial offering costs and expenses have been fully expensed and amortised.

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 following the last Valuation Date of each calendar quarter 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 sixty-five 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. In the event of a suspension of the calculation of the Net Asset Value or the redemption of Shares of the relevant Class, 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 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 Shareholders.

Redemption rights as to Shares of the Fund are subject to certain restrictions, described below.

Except in extraordinary circumstances (which shall include any failure or delay in payment by the Underlying Fund), the Fund will endeavor to distribute 100% of a Shareholder's redemption proceeds (computed on the basis of unaudited data) no more than twenty five (25) days following the relevant Redemption Date. The Fund will not pay interest on redemption proceeds. In certain circumstances, the Sponsor may suspend payments of any redemption proceeds until as soon as it is practicable for the Fund to make such payments. In any event, no redemption proceeds will be paid out if the Fund has not received all information necessary to complete its Anti-Money Laundering requirements.

Fund Limits on Redemptions and Liquidity

The Sponsor, in its sole discretion, may refuse to approve a partial redemption request or may treat such a request as a request for a redemption of all of a Shareholder's Shares if, after giving effect to such partial redemption, the aggregate Net Asset Value of such Shareholder's remaining Shares would be less than the lesser of the redeeming Shareholder's initial subscription or the minimum investment then required for initial subscriptions for the same series as the Shares being redeemed.

The Fund's ability to satisfy redemptions is conditioned upon its ability to make corresponding redemptions from the Underlying Fund.

The Sponsor has the right to limit the amount of redemptions by Shareholders on any Redemption Date to an aggregate amount equal to **90%** of the aggregate Net Asset Value of all Shareholders' Shares (referred to as the "**Gate**"). If the Sponsor determines to apply the Gate, Shareholders' redemption requests will be reduced *pro rata* based on the relative amounts of each redeeming Shareholder's redemption request for the applicable Redemption Date.

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 the applicable Valuation Date); and/or (ii) the issue of Shares of any one or more Classes (and the applicable Subscription Date); and/or (iii) the redemption (in whole or in part) of Shares of any one or more Classes (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 or the Underlying 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; (iv) the Underlying Fund declares any suspension of redemptions and/or calculation of its net asset value or (v) 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.

Limits on Redemptions at the Underlying Fund Level. Generally, a shareholder in the Underlying Fund may request to redeem its Basic Series of a class of shares, in whole or in part, upon prior written notice delivered to the Underlying Fund's Sub-Administrator. The Board of Directors of the Underlying Fund retains the right to permit redemptions at times upon such notice as determined in the discretion of the Board of Directors.

After an Underlying Fund shareholder has requested to fully redeem its Basic Series of shares attributable to a particular subscription, such subscription will no longer be eligible to participate in any Special Investments made after the date of such notice. A "first-in-first-out" principle will be applied to subscriptions so that redemptions will be attributed to subscriptions in the order they were originally made unless otherwise agreed to in writing between the Underlying Fund Investment Manager and a shareholder.

Underlying Fund Compulsory Redemptions. The Underlying Fund may require the Fund to redeem a portion or the entirety of its Underlying Shares upon at any time and for any reason. If the Fund is required to redeem entirely from the Underlying Fund, the Directors may elect, in their discretion, to dissolve the Fund as described in the Articles.

Change in Underlying Fund. The Directors may call for a vote of Shareholders on whether to continue to invest the assets of the Fund in the Underlying Fund and may propose to the Shareholders that the Fund invest its assets in a different underlying fund or underlying funds. Shareholders who dissent from such vote will be mandatorily redeemed from the Fund prior to any change in underlying fund taking place. Shareholders who fail to respond to a request to vote in respect of a change in underlying fund will be treated as though they had voted in favor of the change and thereafter may be mandatorily redeemed from the Fund after the relevant vote, but prior to such change taking effect, as determined in the discretion of the Directors.

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 Fund's Underlying Shares of the Underlying 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

Administrator. The Fund has appointed Bolder Fund Services (Cayman) Limited (the "**Administrator**") to provide various administrative services to the Fund. Pursuant to an administration agreement entered into 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 Fund's 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 in respect 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, 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 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 or gross negligence. The Administrator shall not, in the absence of fraud or gross negligence 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 or gross negligence 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 Underlying Fund Investment Manager, 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 has no responsibility for monitoring compliance by the Fund or the Underlying Fund Investment Manager 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 applied for and can expect to receive 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 Belmont Long Short Alpha Fund, Ltd.

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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 Underlying Fund Memorandum and 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 \$50,000 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. 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 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 Belmont 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 \$50,000 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. 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.

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.

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 "**Subscription 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.

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 Subscription Date for a contribution made by wire transfer, and cleared funds in the relevant currency must also be received (5) five Business Days prior to a Subscription Date. 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 Subscription 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 Underlying Fund and in shares of the Millennium Fund via the BMS Fund Class C as of the next day on which the Underlying Fund accepts subscriptions. Subscriptions received and accepted by the Sponsor of the Underlying Fund as of the close of business on the last Business Day of each calendar month are contributed to the Underlying Fund effective the first Business Day of the following month.

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 the offices of Belmont Fund Services (Cayman) Limited, 3-212 Governors Square, 23 Lime Tree Bay Avenue, West Bay Road, P.O. Box 30746 SMB, 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 of Shares to one or more investors in its sole discretion.

The Shares are fully paid and non-assessable 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 (Cayman) Limited, PO Box 493, Century Yard, Cricket Square, Grand Cayman KY1-1106, has been selected as the independent auditors for the Fund.

Legal Counsel

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.

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 Agreement, 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 Agreement.

Cayman Islands Mutual Funds Act

The Fund is regulated as a mutual fund pursuant to section 4(1)(b) of 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.

Orderly Realization or Change in Underlying Fund

If the Directors, in consultation with the Sponsor, decide that the Fund should no longer invest all of its assets (other than a maximum of 10% in shares of the Millennium Fund via the BMS Fund Class C and in assets necessary or appropriate to pay any fees, expenses or other costs related to the Fund) in the Underlying Fund, they may call for a vote of the Shareholders on whether to invest the Fund's assets in a different underlying fund or funds, as described in "*The Underlying Fund and Underlying Manager* —

Changes in Underlying Fund" in this Memorandum. Alternatively, in such circumstances the Directors, in consultation with the Sponsor, may resolve that the Fund be managed with the objective of realizing assets in an orderly manner and distributing the proceeds to Shareholders in such manner as they determine to be in the best interests of the Fund, in accordance with the terms of the Articles and this Memorandum, including, without limitation, compulsorily redeeming Shares, paying any dividend proceeds in specie and/or declaring a suspension while assets are realized. This process is integral to the business of the Fund and may be carried out without recourse to a formal liquidation under the Companies Act or any other applicable bankruptcy or insolvency regime.

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 may 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.

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 Long Short Alpha 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
Daniel Beaton
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

INDEPENDENT AUDITORS

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

CAYMAN ISLANDS LEGAL COUNSEL TO THE FUND

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