PRODUCT ANNEX 27: DB PLATINUM MIDOCEAN ABSOLUTE RETURN CREDIT

The information contained in this Product Annex relates to the Sub-Fund and forms an integral part of the Prospectus. The Prospectus (which includes this Product Annex) constitutes the terms and conditions of the Sub-Fund. **Investors should note that the Sub-Fund is not guaranteed or capital protected. Investors in this Sub-Fund should be prepared and able to sustain losses of the capital invested, up to a total loss.**

Investment Objective and Policy

The Sub-Fund qualifies as a “Sub-Fund with a Direct Investment Policy” (as described under “Investment Objectives and Policies” in the main part of the Prospectus).

The Investment Objective of the Sub-Fund is to seek capital appreciation by generating stable, absolute returns. To achieve the Investment Objective, MidOcean Credit Fund Management, L.P. (the “**Investment Manager**”) will seek to identify long and short credit-driven investments in financial instruments of corporate issuers. The Investment Manager will apply relative value asset selection and fundamental credit analysis principles when evaluating investments. The Fund mainly invests in U.S. dollar denominated securities of corporations based in the U.S. but may also invest a portion of its assets globally. Investments will be made in both investment grade and non-investment grade assets including distressed securities (which are not expected to exceed 10% of the Sub-Fund’s Net Asset Value) with a core focus on crossover credit assets. Further information is contained below in the section “*Further Information about the Investment Strategy and the Investment Manager*”.

Derivative instruments (including both exchange-traded and over-the-counter derivatives, such as swaps, futures and options) may be used for investment and hedging purposes. By using such derivative instruments, the Sub-Fund itself can be economically leveraged and could therefore be subject to an accelerated increase or decrease of the Net Asset Value of the Sub-Fund (relative to the increase or decrease in value of the asset to which the derivative instruments relate). Derivatives are typically unfunded instruments. If the Sub-Fund is investing extensively using unfunded derivatives, a significant proportion of the assets of the Sub-Fund may be invested in cash, cash bonds, including government bonds and money market instruments.

The Company may borrow for the account of a Sub-Fund, up to 10% of the Net Asset Value of such Sub-Fund provided that such borrowing is on a temporary basis. Such borrowing may only be used for liquidity purposes (e.g., to cover shortfalls caused by mismatched settlement dates on purchase and sale transactions, finance repurchases or pay fees reverting to a service provider) and/or for investment purposes. The assets of such Sub-Fund may be charged as security for any such borrowings in accordance with the principle of segregation of assets and liabilities provided by Article 181(5) of the Law.

While the Reference Currency of the Sub-Fund is USD, a proportion of the assets of the Sub-Fund may, however, be invested in securities and other investments which are denominated in currencies other than the Reference Currency. Accordingly, the value of such assets may be affected favourably or unfavourably by fluctuations in currency rates and the Investment Manager may (but shall not be obligated to) enter into foreign exchange hedging transactions to attempt to mitigate part or all of such currency risks.

The Sub-Fund will not invest more than 10% of its Net Asset Value in units or shares of other UCITS or other UCIs in order to be eligible for investment by UCITS governed by the UCITS Directive.

Further information on the Sub-Fund’s Investment Policy is contained in the main part of the Prospectus under “Investment Restrictions”. Please also see below "*Further Information about the Investment Strategy and the Investment Manager*".

The Sub-Fund will have no Maturity Date. However, the Board of Directors may decide to terminate the Sub-Fund in accordance with the rules set out in the Prospectus and the Articles of Incorporation.

Risk Management

The methodology used in order to calculate the global exposure resulting from the use of financial derivative instruments is the absolute value at risk (“**VaR**”) approach in accordance with the CSSF Circular 11/512. The global exposure resulting from the use of financial derivative instruments is therefore subject to an absolute VaR limit of 20% of the Net Asset Value of the Sub-Fund.

Depending on market environments and subject to the Investment Restrictions, the Sub-Fund may, at the discretion of the Investment Manager, employ leverage in the construction of its portfolio.

Leverage will be determined in accordance with the sum of the notional of financial derivative instruments approach (which defines the leverage as the sum of the absolute value of the notional amounts of all financial derivative instruments in the Sub-Fund’s portfolio). The Sub-Fund’s maximum expected level of leverage is 750% of the Sub-Fund’s Net Asset Value. It is anticipated that the Sub-Fund's may approach this level of leverage during periods of severe market stress where the Investment Manager may initiate substantial hedging activity.

Other than as disclosed herein the Sub-Fund does not expect to employ any leverage.

Collateral Arrangement

In relation to the over-the-counter derivative transactions entered into between the Sub-Fund and its Swap Counterparties, the Company has entered into ISDA Credit Support Annexes ("**CSAs**") in respect of the Sub-Fund. Under the terms of these CSAs, collateral, in the form of cash or securities, is transferred by the Swap Counterparties to the Sub-Fund in order to reduce the net exposure of the Sub-Fund to the relevant Swap Counterparty to 0% (zero per cent) of its Net Asset Value as of the relevant Business Day (i.e. the Sub-Fund is fully collateralised), albeit a minimum transfer amount of USD 100,000 will be applicable (i.e. the Sub-Fund may have up to USD 100,000 of exposure at any point in time). The collateral transferred to the Sub-Fund is held by the Custodian.

A reduced valuation or "**Haircut**" will be applied when calculating the value of certain types of collateral. This means that some collateral will be treated by the Sub-Fund as having a lower value than its market price and the relevant Swap Counterparty will therefore be required to deliver more collateral. The applicable haircuts for each type of asset differ by Swap Counterparty but fall within the range of 0-10% (i.e. they will be valued between 90% and 100% of their market price). The value of the collateral delivered to the Sub-Fund will be calculated as the market value of the respective assets multiplied by the applicable valuation percentage.

The percentage applied will depend on factors such as liquidity, price volatility, issuer credit quality and remaining maturity.

Profile of the Typical Investor

The Sub-Fund has been designed for investors who are looking for long term capital growth through exposure to alternative investment strategies. As the Sub-Fund may therefore employ sophisticated strategies (including the use of derivatives), it is intended only for knowledgeable and experienced investors who are able to understand and evaluate both the investment strategy and its inherent risks (such understanding and evaluation may be gained through advice from a professional advisor).

The Management Company will ensure that Distributors have in place adequate procedures to categorise investors under the MiFID client classification rules or local jurisdiction equivalent rules, to determine the suitability of the Company as an investment for any prospective investor and to inform such prospective investor about any risks associated with an investment in the Company.

Specific Risk Warning

Investors should note that the Sub-Fund is not guaranteed or capital protected. Investors in this Sub-Fund should be prepared and able to sustain losses of the capital invested, up to a total loss. The Sub-Fund's Investment Strategy is speculative and entails substantial risks. There can be no assurance that the investment objective of the Sub-Fund will be achieved, and results may vary substantially over time. An investment in the Sub-Fund involves a high degree of risk, including the risk that the entire amount invested may be lost. You should be aware that synthetic short selling (i.e. obtaining "short" positions through the use of derivatives), the use of derivatives for other purposes than hedging and other leveraged positions and potentially limited diversification relative to more conventional strategies could, in certain circumstances, substantially increase the impact of adverse market conditions on the Sub-Fund's Net Asset Value. See "Specific Risk Factors."

Specific Risk Factors

Prior to making an investment decision prospective investors should carefully consider all of the information set out in this document, including these Specific Risk Factors. The Specific Risk Factors set out below are not exhaustive. There may be other risks that a prospective investor should consider that are relevant to its particular circumstances or generally. These Specific Risk Factors should be read in conjunction with the section "Risk Factors" in the core part of the Prospectus.

Overall Investment Risk

All investments risk the loss of capital. The nature of the investments to be purchased and traded by the Sub-Fund and the investment techniques and strategies to be employed in an effort to increase profits may increase this risk. There can be no assurance that the Sub-Fund will not incur losses. Investors may lose all or substantially all of their investment in the Sub-Fund. Unforeseeable events, including, but not limited to, actions by various government agencies (such as the Bank of England, Federal Reserve Board or European Central Bank), world political events, and other market disruption events, may cause sharp market fluctuations or interrupt the Sub-Fund's activities or those of its service providers.

Risks relating to the structure of the Sub-Fund

Lack of Operating History

The Sub-Fund is newly formed with no prior operating history of its own for prospective investors to evaluate prior to making an investment in the Sub-Fund. Although the Investment Manager has significant prior experience in portfolio management, the past performance of any investments or investment funds managed by the Investment Manager cannot be construed as any indication of the future results of an investment in the Sub-Fund and no representation is made that the Sub-Fund is likely to achieve returns similar to these investments' track record.

The performance of the Sub-Fund will depend on the success of the Investment Objective and Policy. Pursuit of such Investment Objective and Policy by the Sub-Fund involves uncertainty. No assurance can be given that suitable investment opportunities in which to deploy all of the Sub-Fund's capital will be located or that any such investment opportunities will perform as expected.

Dependence on the Investment Manager

The success of the Sub-Fund is largely dependent upon the Investment Manager and there can be no assurance that the Investment Manager or the individuals employed by the Investment Manager will remain willing or able to provide advice to the Sub-Fund or that trading on this advice by the Investment Manager will be profitable in the future. The performance of the Investment Manager depends upon certain personnel, primarily Steve Shenfeld and Bryan Dunn. Should any such personnel be in any way unavailable or incapacitated, the performance of the Sub-Fund may be adversely affected.

Counterparty Risk and Credit Risk

The Sub-Fund has counterparty risk in relation to transactions it enters into with brokers, banks and other third parties if the counterparty was to fail to complete any transaction to which the Sub-Fund is a party. The Sub-Fund will be subject to the risk of the inability of such entities to perform with respect to transactions, whether due to insolvency or other causes, and that the Sub-Fund will sustain a loss on a transaction as a result. The amount of exposure to any counterparty is subject at all times to the Investment Restrictions.

Certain counterparties may hold the right to terminate transactions with the Sub-Fund in certain designated circumstances. These events may include, but are not limited to, a situation where the Net Asset Value of the Sub-Fund declines by certain percentages in a given timeframe or the Sub-Fund fails to make a payment or provide collateral on time. Any such action by a counterparty could cause a loss to the Sub-Fund. Copies of any such counterparty agreements are available for inspection upon request to the Administrative Agent.

The number of counterparties with which the Sub-Fund is permitted to enter into transactions with may be limited.

Tax Liabilities

In addition, the Sub-Fund may be required under the terms of any derivative transaction entered into with a swap counterparty to keep such swap counterparty and its hedge provider indemnified in respect of any tax liability that may arise to them in connection with their activities in hedging their exposure under such transaction. To the extent that the Sub-Fund is required to make a payment under any such indemnity, the Net Asset Value of the Sub-Fund will be adversely impacted.

Performance Fees

Performance Fees are payable by the Sub-Fund, and will be charged, if high water mark conditions are met, for each Performance Fee Period. As a result, Performance Fees may be paid on unrealised gains which may subsequently never be realised by the Sub-Fund as positions may be closed out at a loss in a later period with a consequent reduction in the Net Asset Value per Share on a later Transaction Day. No equalisation or similar measures will be carried out in respect of the Performance Fee attributed to an individual Shareholder's holding of Shares. Therefore, the same Performance Fee will apply in respect of each Share and will not be dependent on when the holder of a Share acquired it within a Performance Fee Period or the actual gains obtained by such holder of a Share.

Termination of the Investment Management Agreement

The Investment Management Agreement is for an undetermined duration. The appointment of the Investment Manager may be terminated in accordance with the terms of the Investment Management Agreement as set out under "Termination of the Investment Management Agreement" below. Investors should be aware that upon the Investment Manager ceasing actively to manage the Sub-Fund, the Sub-Fund will remain exposed to the performance of the investment portfolio of the Sub-Fund but will not have the benefit of the management expertise of the Investment Manager and no further trade requests may be made in respect of the Sub-Fund's portfolio. As a result, the Management Company may decide in its sole and absolute discretion to terminate the Sub-Fund.

Potential Conflicts of Interest

The Investment Manager, its affiliates, and their principals engage in a variety of activities, including investment management and financial advisory activities that are independent from and may from time to time conflict with those of the Sub-Fund. In the future, instances may arise where the interests of the Investment Manager conflict with the interests of investors in the Sub-Fund. The Investment Manager, its affiliates and principals are not required to refrain from any other activity, to account for any profits from any such activities or to devote all or any particular part of their time and effort to the Sub-Fund and its affairs. Certain affiliates of the Investment Manager may engage in transactions with, and may provide services to, companies in which the Sub-Fund invests or could invest. The Investment Manager and/or its affiliates also currently serve as and expect to serve as investment manager for other investment vehicles that may invest in assets or employ strategies that overlap with the Sub-Fund's strategies. Further, the Investment Manager may invest in, advise or sponsor other investment vehicles and other persons or entities (including prospective investors in the Sub-Fund) which may also have similar structures and investment objectives and policies to those of the Sub-Fund. These vehicles may, therefore, compete with the Sub-Fund for investment opportunities and may co-invest with the Sub-Fund in certain transactions. The Investment Manager or its affiliates and their respective employees may make investment decisions for themselves, clients and their affiliates that may be different from those made by the Investment Manager on behalf of the Sub-Fund (including the timing and nature of the action taken), even where the investment objectives are the same or similar to those of the Sub-Fund. There is no undertaking or guarantee that the investment returns of the Sub-Fund will be similar or identical to the investment returns of any other fund or account managed by the Investment Manager or its affiliates and principals. The Investment Manager and its affiliates may at certain times be simultaneously seeking to purchase or sell the same or similar investments for the Sub-Fund or another client for which any of them serves as investment manager, or for themselves. Likewise, the Investment Manager may on behalf of the Sub-Fund make an investment in which another account, client or affiliate is already invested or has co-invested. The Investment Manager may on behalf of the Sub-Fund acquire from or dispose of investments to an investment fund or account advised by the Investment Manager, its affiliates or their principals or another connected party.

Allocation of Trading Opportunities by the Investment Manager

The Investment Management Agreement requires the Investment Manager to act in a manner that it considers fair in allocating investment opportunities to the Sub-Fund but will not otherwise impose any specific obligations or requirements concerning the allocation of time, effort or investment opportunities to the Sub-Fund or any restrictions on the nature or timing of investments for the proprietary account of the Investment Manager, its affiliates, or their principals and employees, or for other client accounts and proprietary accounts, which the Investment Manager or its affiliates may manage (collectively, the “Other Accounts”). The management of such Other Accounts may be on different terms and conditions than the Investment Manager’s management of the Sub-Fund’s account. The Investment Manager is not required to accord exclusivity or priority to the Sub-Fund in the event of limited investment opportunities.

When the Investment Manager determines that it would be appropriate for both the Sub-Fund and any Other Account to participate in an investment opportunity, the Investment Manager will seek to execute orders for all of the participating accounts on a fair, reasonable and equitable basis. If the Investment Manager has determined to trade in the same direction in the same security at the same time for the Sub-Fund and any Other Account, the Investment Manager is authorized to combine the Sub-Fund’s order with orders for any Other Accounts and if all such orders are not filled at the same price, the Sub-Fund’s order may be filled at an average price, which normally will be the same average price at which contemporaneously entered proprietary orders are filled on that day or pursuant to another allocation methodology which the Investment Manager deems fair on an overall basis to all participating accounts. Similarly, if an order on behalf of more than one account cannot be fully executed under prevailing market conditions, the Investment Manager will allocate the trades among the different accounts on a basis that it considers fair, reasonable and equitable. The effect of such aggregation and allocation may however work to the disadvantage of the Sub-Fund on some occasions.

Dealing Commissions

The Investment Manager may at its discretion execute transactions for the Sub-Fund through brokers or other persons under arrangements where the Investment Manager passes on the broker or other person’s charges to the Sub-Fund and in return for such charges the Investment Manager receives goods or services in addition to the execution of orders. The nature of such goods or services will vary, but the Investment Manager will satisfy itself that such goods or services comply with any applicable SFC rules and CSSF Regulation 10-4, and will reasonably assist the Investment Manager in the provision of its services in relation to the Sub-Fund dealing.

Non-Public Information

From time to time, the Investment Manager and its affiliates, and their directors, managers, members, shareholders, officers, agents and employees (collectively, “**Manager Affiliates**”), including without limitation, its investment professionals, come into possession of non-public information concerning specific companies. The Sub-Fund’s investment flexibility may be constrained as a consequence of the Investment Manager’s inability to use such information for investment purposes. Alternatively the Investment Manager from time to time may decline to receive material non-public information from other Manager Affiliates or other parties which it is entitled to receive on behalf of the Sub-Fund or other clients, in order to avoid trading restrictions for the Sub-Fund as well as other accounts under its management, even though access to such information might have been advantageous to the Sub-Fund and other market participants are in possession of such information.

Possible Adverse Effects of Substantial Redemptions

In the event that there are substantial redemptions of Shares within a limited period of time, the Investment Manager may find it difficult to adjust its asset allocation and trading strategies to the suddenly reduced amount of assets under management. Under such circumstances, in order to provide funds to pay for redemptions, the Investment Manager may be required to liquidate positions of the Sub-Fund at an inappropriate time or on unfavorable terms, resulting in lower net assets for the remaining shareholders and a lower redemption price for the redeeming shareholders.

Risks relating to the investment techniques employed by the Investment Manager

Availability of Suitable Investment Opportunities

The Sub-Fund competes with other potential investors to acquire interests in its targeted investments. Certain of the Sub-Fund’s competitors may have greater financial and other resources and may have better access to suitable investment opportunities. There can be no assurance that the Sub-Fund will be able to locate and complete suitable investments that satisfy the Sub-Fund’s objectives or that any borrowings required to take advantage of such opportunities will be available with acceptable counterparties on acceptable terms. Whether or not suitable investment opportunities are available to the Sub-Fund, the Sub-Fund will bear the Management Fees and other expenses described herein.

Concentration of Investments; Diversification

Subject at all times to the Investment Restrictions, the Sub-Fund has the ability to concentrate its investments in a limited number of issuers, countries, sectors or instruments. Adverse movements in a particular economy, sector or instrument type in which the Sub-Fund is concentrated could negatively affect performance to a considerably greater extent than if the Sub-Fund's investments were not so concentrated. In addition, concentration of the Sub-Fund's investments could also result in less correlation between the Sub-Fund's performance and the performance of the markets on which securities held by the Sub-Fund are traded.

Financial Leverage

The Investment Manager may, subject at all times to the Investment Restrictions, use financial leverage in managing the Sub-Fund, including increasing investment capacity, covering operating expenses and making withdrawal payments or for clearance of transactions. Financial leverage includes, but is not limited to, buying securities on margin. Direct borrowings are limited to 10% of Net Asset Value of the Sub-Fund. The Investment Manager may employ strategies that include the use of financial leverage, such as the use of swaps, options, futures contracts and other derivative securities, or other forms of leverage or credit.

In an unsettled credit environment, the Investment Manager may find it difficult or impossible to obtain leverage for the Sub-Fund; in such event, the Sub-Fund could find it difficult to implement its strategy. In addition, any leverage obtained, if terminated on short notice by the lender, could result in the Investment Manager being forced to unwind positions quickly and at prices below what it deems to be fair value for the positions.

Hedging Risks

The Investment Manager may in its discretion employ various "hedging" techniques designed in an attempt to minimize the risk of loss in portfolio positions. To the extent that the Investment Manager does seek to employ such hedging techniques a substantial risk remains, nonetheless, that such techniques will not always be possible to implement and when possible will not always be effective in limiting losses.

Liquidity

The Sub-Fund may acquire securities that are traded only among a relatively limited number of investors. The limited number of investors for those securities may make it difficult for the Sub-Fund to dispose of those securities quickly or in adverse market conditions. Many derivatives and securities that are issued by entities that pose substantial credit risks are among those types of securities that the Sub-Fund may acquire that are only traded among limited numbers of investors. Some markets, on which the Sub-Fund may invest, may prove at times to be illiquid. This may affect the market price of certain securities and therefore the Sub-Fund's Net Asset Value.

Furthermore, there is a risk that, because of a lack of liquidity and efficiency in certain markets due to unusual market conditions or unusually high volumes of redemption requests by investors in the Sub-Fund, the Sub-Fund may experience some difficulties in purchasing or selling holdings of securities. Under such circumstances and in accordance with the Prospectus and the Articles of Incorporation, the Board of Directors reserves the right to scale down applications to redeem 10% or more of the Net Asset Value of any Sub-Fund. Further details are set out in the section titled "General Information Relating to the Sub-Fund" below.

Potential investors should also note that in certain circumstances (also set out below), the calculation of the Net Asset Value of the Sub-Fund and also subscriptions and redemptions in the Sub-Fund may be suspended upon the decision of the Board of Directors.

Risk Control Framework.

No risk control system is fail-safe, and no assurance can be given that any risk control framework designed or used by the Investment Manager will achieve its objective. To the extent that risk controls will be based upon historical trading patterns for the financial instruments in which the Sub-Fund trades and upon pricing models for the behaviour of such financial instruments in response to various changes in market conditions, no assurance can be given that such historical trading patterns will accurately predict future trading patterns or that such pricing models will necessarily accurately predict the manner in which such financial instruments are priced in financial markets in the future. There is no assurance that the risk control framework employed will be successful in minimising losses to the Sub-Fund.

Investment Strategies

The success of the Investment Strategy depends upon the ability of the Investment Manager to interpret market data correctly and to predict market movements. Any factor which would make it more difficult to execute timely buy and sell orders, such as a significant lessening of liquidity in a particular market or investment would also be detrimental to profitability.

Long/Short Strategies

The use of certain "long/short" strategies in no respect should be taken to imply that the Sub-Fund's investments in such strategies will be without risk. Substantial losses may be recognised on "hedge" or "arbitrage" positions, and illiquidity and default on one side of a position can effectively result in the position being transformed into an outright speculation. Every long/short strategy involves exposure to some second-order risk of the market.

Derivatives and Related Instruments

The Sub-Fund intends to invest in derivative financial instruments. The risks posed by such instruments and techniques, which can be extremely complex and may involve leveraging of the Sub-Fund's assets, include: (1) credit risks (the exposure to the possibility of loss resulting from a counterparty's failure to meet its financial obligations); (2) market risk (adverse movements in the price of a financial asset); (3) legal risks (the characterization of a transaction or a party's legal capacity to enter into it could render the financial contract unenforceable, and the insolvency or bankruptcy of a counterparty could pre-empt otherwise enforceable contract rights); (4) operations risk (inadequate controls, deficient procedures, human error, system failure or fraud); (5) documentation risk (exposure to losses resulting from inadequate documentation); (6) liquidity risk (exposure to losses created by inability to prematurely terminate the derivative); (7) system risk (the risk that financial difficulties in one institution or a major market disruption will cause uncontrollable financial harm to the financial system); (8) concentration risk (exposure to losses from the concentration of closely related risks such as exposure to a particular industry or exposure linked to a particular entity); and (9) settlement risk (the risk faced when one party to a transaction has performed its obligations under a contract but has not yet received value from its counterparty).

Use of derivatives, including techniques such as short sales, involves certain additional risks, including (i) dependence on the ability to predict movements in the price of the securities hedged, (ii) imperfect correlation between movements in the securities on which the derivative is based and movements in the assets of the underlying portfolio, and (iii) possible impediments to effective portfolio management or the ability to meet short-term obligations because of the percentage of a portfolio's assets segregated to cover its obligations. In addition, by hedging a particular position, any potential gain from an increase in value of such position may be limited.

Risks relating to the potential investments of the Sub-Fund

Equity-Related Instruments in General

The Investment Manager may use equity-related instruments in its investment portfolio. Certain options and other equity-related instruments may be subject to various types of risks, including market risk, liquidity risk, counterparty credit risk, legal risk and operations risk. In addition, equity-related instruments can involve significant economic leverage and may, in some cases, involve significant risks of loss.

Bonds and Other Fixed-income Securities

The Sub-Fund may invest in bonds and other fixed-income securities, and may take short positions in these securities when they offer opportunities for capital appreciation, or for temporary defensive or liquidity purposes. Fixed-income securities include, among other securities: bonds, notes and debentures issued by corporations; debt securities issued or guaranteed by a government, or one of its agencies or instrumentalities, or a supranational organisation. Fixed-income securities are subject to the risk of the issuer's inability to meet principal and interest payments on its obligations (i.e., credit risk) and are subject to price volatility resulting from, among other factors, interest rate sensitivity, market perception of the creditworthiness of the issuer and general market liquidity (i.e., market risk). Non-investment grade bonds or "junk bonds" may involve a substantial risk of default, or may be in default, at the time of acquisition. The market for lower grade debt securities may be thinner, less active and more volatile than that for investment grade debt securities.

Risks Associated with High Yield Securities

The Investment Manager may make investments in "high yield" bonds and preferred securities which are rated in the lower rating categories by the various credit rating agencies or in comparable non-rated securities. Securities in these lower rating categories are subject to greater risk of loss of principal and interest than higher-rated securities and are generally considered to be speculative with respect to the issuer's ability to pay interest and repay principal. They are also generally considered to be subject to greater risk than securities with higher ratings in the case of deterioration of general economic conditions. Because investors generally perceive that there are greater risks associated with the lower-rated securities, the yields and prices of such securities may tend to fluctuate more than those for higher-rated securities. The market for lower-rated securities is less liquid than that for higher-rated securities, which can adversely affect the prices at which these securities can be sold. In addition, adverse publicity and investor perceptions about lower-rated securities may contribute to a decrease in the value and liquidity of such lower-rated securities.

Distressed Strategies

The Sub-Fund may be exposed to distressed securities, which are securities of issuers in extremely weak financial condition, or that are perceived to have a deteriorating financial condition that will affect their future ability to meet their financial obligations. These issuers may either be preparing to file, or have filed, for bankruptcy or insolvency protection under an insolvency scheme (for example, Chapter 11 in the United States or Company Voluntary Arrangement in the United Kingdom). They may be companies that have bonds rated CCC or lower by the rating agencies (primarily Moody's and Standard & Poor's), or their bonds might be trading at large spreads versus risk free rate.

Investments of this type involve significant risks that can result in substantial or total losses. Among the problems involved in investments in troubled issuers is the fact that information as to the conditions of such issuers may be limited, thereby reducing the Investment Manager's ability to monitor the performance and to evaluate the advisability of continued investments in specific situations. Such investments may also be adversely affected by laws relating to, among other things, fraudulent transfers and other voidable transfers or payments, lender liability and the bankruptcy court's power to disallow, reduce, subordinate, recharacterise debt as equity or disenfranchise particular claims. The market prices of such securities are also subject to abrupt and erratic market movements and above-average price volatility, and the spread between the bid and ask prices of such securities may be greater than normally expected. Liquidity for distressed securities may also be severely limited in certain circumstances. It may take a number of years for the market price of such securities to reflect their intrinsic value.

The level of analytical sophistication, both financial and legal, necessary for successful investment in companies experiencing significant business and financial difficulties is unusually high. In any reorganisation or liquidation proceeding relating to a company in which the Sub-Fund invests, the Sub-Fund may lose its entire investment, may be required to accept cash or securities with a value less than its original investment and/or may be required to accept payment over an extended period of time. Under such circumstances, the returns generated from the investments may not compensate the Sub-Fund adequately for the risks assumed.

Currency Market Risks

By trading in foreign exchange and investing in international securities and derivative instruments relating to such securities, the Sub-Fund will have exposure to fluctuations in currency exchange rates. Foreign exchange trading risks include, but are not limited to, exchange rate risk, maturity gaps, interest rate risk and potential interference by foreign governments through regulation of local exchange markets, foreign investment or particular transactions in foreign currency. Significant changes, including changes in liquidity and prices, can occur in such markets within very short periods of time, often within minutes. The Sub-Fund may seek to offset the risks associated with such exposure or to increase returns through foreign exchange transactions. Such transactions involve a significant degree of risk and the markets in which foreign exchange transactions are affected are volatile, specialized and technical. The foreign exchange transactions can result in the Sub-Fund's returns being substantially better or worse than what returns would have been had the Sub-Fund not entered into the transactions. The Investment Manager or the Management Company may try to hedge these risks, but there can be no assurance that it will implement a hedging strategy, or if it implements one, that it will be effective.

Derivative Instruments and Over-the-Counter Trading

The Sub-Fund may use various derivative instruments which may be volatile and speculative, and which may be subject to wide and sudden fluctuations in market value, with a resulting fluctuation in the amount of profits and losses. The Investment Manager may engage in over-the-counter or "OTC" derivative transactions. OTC swap contracts are not traded on exchanges and are not subject to the same type of government regulation as exchange markets. As a result, many of the protections afforded to participants on organized exchanges and in a regulated environment are not available in connection with these transactions. The OTC derivative markets are bilateral "principals' markets" with price and other terms negotiated by the buyer and seller, and in which performance with respect to a derivative contract is the responsibility only of the counterparty to the contract, and not of any exchange or clearinghouse. As a result, the Sub-Fund is subject to the risk of the inability or refusal to perform with respect to derivative contracts on the part of the counterparties with which the Investment Manager trades. There are no limitations on daily price movements in derivative transactions. Speculative position limits are not applicable to various derivative transactions, although the Sub-Fund's derivative counterparties may limit the size or duration of positions available to the Sub-Fund as a consequence of credit considerations. Participants in the derivative markets are not required to make continuous markets in the derivative contracts they trade. In the event that additional collateral is requested (a margin call), the Sub-Fund may not be able to liquidate assets at appropriate prices and in sufficient time to meet the margin call, and as such it may have to close out its position, the knock-on effect of which may lead to the Sub-Fund being terminated and investors suffering a loss.

Participants could refuse to quote prices for derivative contracts or quote prices with an unusually wide spread between the price at which they are prepared to buy and the price at which they are prepared to sell. As a result, the ease with which the Sub-Fund can dispose of or enter into closing transactions with respect to such an instrument may be less than in the case of an exchange-traded instrument.

If an event of default or an additional termination event were to occur with respect to the Sub-Fund under a master agreement governing the Sub-Fund's derivative transactions, the relevant counterparty and other counterparties may terminate all transactions with the Sub-Fund at significant losses to the Sub-Fund.

In addition, trading in derivative instruments can result in synthetic borrowing as only a small portion of the value of the underlying asset of the derivative is required in order to enter into the derivative instrument. Thus, the borrowing offered by trading in derivative instruments may magnify the gains and losses experienced by the Sub-Fund and could cause the Sub-Fund's net asset value to be subject to wider fluctuations than would be the case if derivative instruments that provide leverage were not used.

Risks Related to Investments in Entities Experiencing Financial Difficulty

The Investment Manager may invest in securities or other instruments of entities experiencing financial or business difficulties. The Sub-Fund may lose a substantial portion or all of its investment in such entities. Among the risks inherent in investments in entities experiencing financial or business difficulties is the fact that it frequently may be difficult to obtain information as to the true condition of such entities. Such investments also may be adversely affected by insolvency laws. The market prices of the securities or other instruments of such entities may also be subject to abrupt and erratic market movements and above average price volatility, and the spread between the bid and asked prices of such securities or instruments may be greater than normally expected.

Risks relating to investments in global financial markets

Interest Rate Fluctuations

The prices of portfolio investments tend to be sensitive to interest rate fluctuations and unexpected fluctuations in interest rates could cause the corresponding prices of the long and short portions of a position to move in directions which were not initially anticipated. In addition, interest rate increases generally will increase the interest carrying costs to the Sub-Fund of borrowed securities and leveraged investments.

Political, Economic and Other Conditions

The Sub-Fund's investments may be adversely affected by changes in economic conditions or political events that are beyond its control. For example, a stock market break, continued threats of terrorism, the outbreak of hostilities, or the death of a major political figure may have significant adverse effects on the Sub-Fund's investment results. Additionally, a serious pandemic, such as avian influenza, or a natural disaster, such as a hurricane, could severely disrupt the global, national and/or regional economies and/or markets.

Financial Fraud

Instances of fraud and other deceptive practices committed by senior management of certain companies, sub-advisors or investment vehicles may undermine the Investment Manager's due diligence efforts with respect to such companies, and if such fraud is discovered, negatively affect the valuation of the Sub-Fund's investments. In addition, when discovered, financial fraud may contribute to overall market volatility which can negatively impact the Sub-Fund's investment performance.

Inflation

Some countries in which the Sub-Fund may invest have experienced substantial rates of inflation in recent years. Inflation and rapid fluctuations in inflation rates have had, and may in the future have, negative effects on the economies and securities markets of certain emerging economies. There can be no assurance that inflation will not become a serious problem in the future and have an adverse impact on the Sub-Fund's investments in these countries or the Sub-Fund's returns from such investments.

Market Disruptions; Governmental Intervention

The global financial markets have recently undergone pervasive and fundamental disruptions which have led to extensive and unprecedented governmental intervention. Such intervention has in certain cases been implemented on an "emergency" basis, suddenly and substantially eliminating market participants' ability to continue to implement certain strategies or manage the risk of their outstanding positions. In addition — as one would expect given the complexities of the financial markets and the limited time frame within which governments have felt compelled to take action — these interventions have typically been unclear in scope and application, resulting in confusion and uncertainty which in itself has been materially detrimental to the efficient functioning of the markets as well as previously successful investment strategies. It is impossible to predict what additional interim or permanent governmental restrictions may be imposed on the markets and/or the effect of such restrictions on the Sub-Fund's strategies.

Laws and regulations can change quickly and unpredictably, and may at any time be amended, modified, repealed or replaced in a manner adverse to the interests of the Sub-Fund. The Investment Manager and the Sub-Fund may be or may become subject to unduly burdensome and restrictive regulation. In particular, in response to significant recent events in international financial markets, governmental intervention and certain regulatory measures have been or may be adopted in certain jurisdictions, including: restrictions on short selling of certain securities in certain jurisdictions; restrictions on leverage or other activities of funds; increased disclosure requirements; requirements as regards appointment of service providers; and requirements as regards valuations. The Investment Manager believes that there is a high likelihood of significantly increased regulation of the financial markets, and that such increased regulation could be materially detrimental to the Sub-Fund.

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

General Information Relating to the Sub-Fund

Reference Currency	USD
Minimum Net Asset Value	USD 50,000,000
Offering Period	Means the period prior to the Launch Date during which Shares may be subscribed at the Initial Issue Price for settlement on the Launch Date, set at dates yet to be determined by the Board of Directors.
Launch Date	One Business Day following the last day of the Offering Period. The Board of Directors reserves the right to close and/or reopen the Sub-Fund for further subscriptions at any time at its sole discretion.
Termination	The Sub-Fund has no Maturity Date. However, the Board of Directors may decide, in its sole discretion, to terminate the Sub-Fund in accordance with Chapter "*General Information on the Company and the Shares*" of the Prospectus (Section II.d.), and *inter alia* if: (i) the Net Asset Value of the Sub-Fund is below the Minimum Net Asset Value; or (ii) the appointment of the Investment Manager is terminated for any reason pursuant to the Investment Management Agreement.
Subscription and Redemption deadline	3:00 p.m. (Luxembourg time) three Business Days prior to each Transaction Day.
Transaction Day	Means each Wednesday (or if such day is not a Business Day, the immediately following Business Day), except for the week (Monday to Sunday) in which the last Business Day of the month falls, where there shall only be one Transaction Day which shall be the last Business Day of the month. For the avoidance of doubt the Launch Date will be a Transaction Day.
Valuation Day	The Net Asset Value per Share for a given Class of Shares will be calculated based on each Business Day and made available on the Valuation Day which, for such purposes, will be two Business Days following each such Business Day. For the purposes of subscriptions for, conversions from and redemption of Shares, the Valuation Day will be determined by reference to the relevant Transaction Day.
Settlement	Subscription and Redemption orders will be settled four Business Days following the relevant Transaction Day.
Business Day	Means a day (other than a Saturday or a Sunday) on which: • Commercial banks and foreign exchange markets are open for normal business in Luxembourg, London and New York; and • Each Clearing Agent is open for business.
Redemptions representing 10% or more of the Sub-Fund	In accordance with the section of the Prospectus entitled "*Special Procedure for Cash Redemptions Representing 10% or more of the Net Asset Value of any Sub-Fund*", the Board of Directors reserves the right to scale down applications to redeem 10% or more of the Net Asset Value of any Sub-Fund. In respect of the Sub-Fund only, the Directors agree that in exercising their discretion, the maximum period over which a redemption falling under these provisions will take place will be four Valuation Days (as defined for the purposes of subscriptions, conversions and redemptions of Shares). Investors should note that in certain circumstances described in the section of the Prospectus headed "*Temporary Suspension of Net Asset Value and of Issues, Redemptions and Conversions*", the calculation of the Net Asset Value of the Sub-Fund and also subscriptions and redemptions in the Sub-Fund may be suspended upon decision of the Board of Directors.
Fixed Fee	0.15 % per annum. The Fixed Fee is calculated on each Valuation Day on the basis of the Gross Asset Value of the relevant Share Class before the deduction of any fees and payable quarterly out of the assets of the Sub-Fund to the Fixed Fee Agent. Contrary to the "Fees and Expenses" section of the Prospectus the Fixed Fee will not cover Transaction Fees in relation to the Sub-Fund Any fees or costs incurred in relation to the buying and selling of assets composing the Sub-Fund will be incurred by the Sub-Fund and may have an impact on the Sub-Fund's Net Asset Value.
Investment Manager	MidOcean Credit Fund Management, L.P.
Swap Counterparties	Deutsche Bank AG, JPMorgan Chase Bank, N.A., and such other First Class Institutions

	as may be appointed from time to time by the Sub-Fund for the purpose of entering into derivative contracts.

Description of the Shares

	Retail (R0C)		Retail (R1C)	
	"R0C-E"	**"R0C-G"**	**"R1C-E"**	**"R1C-U"**
Form of Shares	Registered Share or Bearer Share represented by a Global Share Certificate		Registered Share or Bearer Share represented by a Global Share Certificate	
Initial Issue Price	EUR 10,000	GBP 10,000	EUR 10,000	USD 10,000
ISIN Code	LU1325189048	LU1263149228	LU1263149491	LU1263149574
German Security Identification Number (WKN)	A144BQ	A14WU6	A14WU7	A14WU8
Minimum Net Asset Value per Share Class	USD 30,000,000 (or equivalent in any other currency)		USD 30,000,000 (or equivalent in any other currency)	
Minimum Initial Subscription Amount	1 Share		1 Share	
Minimum Subsequent Subscription Amount	1 Share		1 Share	
Minimum Redemption Amount	1 Share		1 Share	
Management Company Fee[1]	1.34%		2.05% p.a.	
Performance Fee[2]	Yes. Please see below		Yes. Please see below	
Taxe d'Abonnement	0.05% p.a.		0.05% p.a.	
Dividends	No		No	
Upfront Subscription Sales Charge	N/A		Up to 5.00%	

1 The Management Company Fee is payable monthly to the Management Company and is calculated on each Valuation Day on the basis of the Net Asset Value of the relevant Share Class. The Investment Manager is remunerated by the Management Company out of the Management Company Fee.

2 The Performance Fee is payable to the Investment Manager.

Description of the Shares

	Institutional (I1C)			Institutional (I2C)[1]		
	"I1C-G"	**"I1C-E"**	**"I1C-U"**	**"I2C-G"**	**"I2C-E"**	**"I2C-U"**
Form of Shares	Registered Share or Bearer Share represented by a Global Share Certificate			Registered Share or Bearer Share represented by a Global Share Certificate		
Initial Issue Price	GBP 100	EUR 100	USD 100	GBP 100	EUR 100	USD 100
ISIN Code	LU1263149657	LU1263149731	LU1263149814	LU1263149905	LU1263150077	LU1263150150
German Security Identification Number (WKN)	A14WU9	A14WVA	A14WVB	A14WVC	A14WVD	A14WVE
Minimum Net Asset Value per Share Class	USD 30,000,000 (or equivalent in any other currency)			USD 30,000,000 (or equivalent in any other currency)		
Minimum Initial Subscription Amount	100 Shares			30,000 shares	40,000 shares	50,000 shares
Minimum Subsequent Subscription Amount	1 Share			1 Share		
Minimum Redemption Amount	1 Share			1 Share		
Management Company Fee[2]	1.34% p.a.			0.84% p.a.		
Performance Fee[3]	Yes. Please see below			Yes. Please see below		
Taxe d'Abonnement	0.01% p.a.			0.01% p.a.		
Dividends	No			No		
Upfront Subscription Sales Charge	N/A			N/A		

1 The Board of Directors intends to close the I2C-G, I2C-U and I2C-E Share Classes to new subscriptions once the Net Asset Value of the Sub-Fund exceeds USD 50 million. The Board of Directors reserves the right to close and/or reopen any Share Class for further subscriptions at any time at its sole discretion, including in the case of the I2C Share Classes to increase or decrease the USD 50 million investment limit.

2 The Management Company Fee is payable monthly to the Management Company and is calculated on each Valuation Day on the basis of the Net Asset Value of the relevant Share Class. The Investment Manager is remunerated by the Management Company out of the Management Company Fee.

3 The Performance Fee is payable to the Investment Manager.

Performance Fee

Performance Fee Amount	If the Gross Asset Value per Share for a Share Class is above the relevant High Water Mark, an amount per Share, calculated on each Valuation Day, equal to: (i) for all Share Classes other than I2C Share Classes, 20% of the Daily Percentage Return; and (ii) for I2C Share Classes, 15% of the Daily Percentage Return. Each Performance Fee Amount, positive or negative, will contribute to the accrued performance fee of that Share Class and will be reflected in the Net Asset Value. where: "**Daily Percentage Return"** means the percentage return between the Gross Asset Value per Share and the larger of a) the prior day Net Asset Value per share and b) the High Water Mark. **"Gross Asset Value**" means, on any Valuation Day, the Net Asset Value of the relevant Share Class calculated on such Valuation Day without taking into account any deduction for the days Performance Fee Amount. **"Gross Asset Value per Share**" means, on any Valuation Day, the Gross Asset Value attributable to all the Shares issued in a respective Share Class, divided by the number of Shares issued by the relevant Share Class. "**High Water Mark**" means (i) on any Valuation Day up to, and including, the first Performance Fee Period End Date, the Initial Issue Price and (ii) on any Valuation Day thereafter, the greater of (a) the Net Asset Value per Share as at the first immediately preceding Performance Fee Period End Date in respect of which a Performance Fee was payable and (b) the Initial Issue Price.
Performance Fee Period End Dates	The last Valuation Day of December in each year.
Performance Fee Period	The period from, but excluding a Performance Fee Period End Date to, and including, the next succeeding Performance Fee Period End Date, provided that the first Performance Fee Period will commence on the Launch Date and end on the first Performance Fee Period End Date.
Performance Fee Payment Dates	The Performance Fee Amount (if any) is payable out of the assets of the Sub-Fund on an annual basis, within 14 Business Days following each Performance Fee Period End Date. If a Share is redeemed during a Performance Fee Period and prior to a Performance Fee Period End Date, the Performance Fee Amount calculated in respect of such Share as at the Valuation Day as of which such Share is redeemed shall be crystallised and become payable to the Investment Manager on the next following Performance Fee Payment Date following such redemption.

Further Information about the Investment Strategy and the Investment Manager

The information contained in this section (Further Information about the Investment Strategy and the Investment Manager) has been provided by the Investment Manager. Accordingly, the Investment Manager assumes responsibility that such information is accurate, complete in all material respects and is not misleading.

Overview of the Investment Strategy

The Sub-Fund's investment strategy (the "**Investment Strategy**") seeks to generate stable, absolute returns by taking long and short positions, either directly or indirectly through derivatives in the case of long positions or indirectly through derivatives only in the case of short positions, primarily in corporate bonds and credit default swaps. The Sub-Fund mainly invests in U.S. dollar denominated obligations of corporations based in the U.S, but is not limited to any particular region, industry or sector in pursuing its Investment Objective.

The Investment Manager typically constructs the portfolio with a net long bias and will seek to dynamically adjust the Sub-Fund's net credit exposure and market exposure to optimise the portfolio's risk profile given then prevailing market conditions. The Investment Manager will make investments in both investment grade and non-investment grade assets with a core focus on crossover credit assets (generally, assets with assigned credit ratings by a nationally recognised statistical rating organization of low investment grade and high non-investment grade).

Investment philosophy

The Investment Manager's philosophy is to combine rigorous fundamental credit research with technical analysis and sophisticated market risk management techniques in a disciplined investment process with the aim of consistently identifying and capturing relative value, event-driven and arbitrage opportunities. The Investment Manager utilises its extensive research, capital markets and trading expertise, as well as the overall MidOcean knowledge of companies, strong relationships and the insights of leading industry executives who are affiliated with MidOcean to exploit these investment opportunities.

Investment process

The Investment Manager's investment process is applied to assess long and short opportunities both before assets are included in the portfolio and after assets have been placed into the portfolio. As a result, the investment process strives for optimal portfolio positioning by selecting the most attractive assets for portfolio inclusion and divesting assets with sub-optimal risk/reward attributes. The process is continuously applied and, as such, is an integral component of the risk management process. Furthermore, the investment process is governed by a broad based set of risk guidelines that ensure the portfolio remains true to its stated strategy, is well diversified, is sufficiently liquid to match its liabilities, and retains no unnecessary risk concentrations.

Risk management

The Investment Manager believes that ineffective risk management potentially poses far greater negative implications on portfolio performance than ineffective return management. Therefore, the investment team employs a comprehensive risk methodology that prioritises the effective management of risks over the generation of returns. Thus, consistent with the Sub-Fund's Investment Objective, capital preservation is emphasised in the construction and management of the investment portfolio.

The Investment Manager analyses numerous risk factors that have potential impact on the portfolio. Those include but are not limited to:

1. Credit Risk: The investment team performs full fundamental credit analyses of potential and existing portfolio assets to determine their embedded default risk, the estimated recovery upon event of default, the obligor's liquidity and ability to meet its obligations as well as their particular industry dynamics.
2. Market Risk: The investment team employs sophisticated asset sensitivity analyses and employs industry-standard techniques such as DV01 ("dollar value of a basis point" or the change in price given a 0.01% change in yield) to assess obligor level and portfolio level market risks.
3. Leverage and Liquidity Risk: The investment team assesses each instrument's market liquidity and assigns a classification to ensure that the portfolio management team is able to actively manage each individual portfolio exposure as necessary. Further, the investment team evaluates its use of leverage in the portfolio relative to current market and relative to overall portfolio liquidity.
4. Other, Secondary Risks: As a function of its ultimate portfolio construction, the portfolio retains other secondary risks such as counterparty risk, curve risk, security type risk etc. The investment team utilises a risk measurement and reporting process that enables it to monitor, control and manage secondary risks. Basis risk stress testing, ad-hoc curve shift stress tests and counterparty risk reporting are all used to control such retained risks.

Types of Investments

The Sub-Fund is authorised to utilise a broad range of securities, derivatives and investment techniques, which include, among others: financial futures and forward contracts (including, without limitation, contracts for future delivery with respect to securities, currencies and other financial instruments), equity securities, debt securities and instruments of government and corporate issuers, swap contracts (including asset swaps), currencies (including FX), and warrants, as well as listed and over-the-counter-options, other derivative instruments (including credit derivatives) on securities.

Contrary to the "Investment Restrictions" section of the Prospectus, the Sub-Fund may invest in transferable securities and Money Market Instruments of non-OECD countries. The Investment Manager may invest in securities that are not listed on securities exchanges. The Investment Manager may invest in rated and unrated investments.

The Investment Manager

MidOcean Credit Fund Management, L.P. is an SEC registered investment advisor that specialises in alternative credit strategies. Founded in 2009, MidOcean was formed with the aim of taking advantage of ongoing investment opportunities across the credit markets.

The Investment Manager is based at 320 Park Avenue, Suite 1600, New York N.Y. and has approximately 20 employees.

The Investment Manager was formed under the laws of the State of Delaware, U.S., in February 2009 and is regulated by the Securities and Exchange Commission in the U.S. as an investment adviser under the Advisers Act. The Investment Manager's pools have claimed an exemption from the obligations of a CFTC-registered CPO pursuant to CFTC rule 4.13(a)(3) and, accordingly, are not subject to certain regulatory requirements.

As of June 2015, the Investment Manager had approximately USD 3.2 billion of net assets under management.

Steve Shenfeld. Mr. Shenfeld who joined MidOcean at its formation in 2009, is President and is responsible for managing and overseeing the investment, risk and business activities of the Firm. Mr. Shenfeld is the chairman of the investment committee and the pricing committee and co-chair of the risk committee. Mr. Shenfeld has 30 years of experience both investing in credit markets and financing non-investment grade companies. Prior to joining MidOcean, Mr. Shenfeld was a general partner and founder of a private equity fund for MD Sass, a widely recognised investment management organization. As general partner, he was responsible for directing all origination, investment and structuring of acquisitions. Prior to MD Sass, Mr. Shenfeld was a general partner at Avenue Capital Group LLC, where he invested in distressed debt, credit and special situations utilising a broad range of investment techniques including capital structure arbitrage, event driven credit, secured lending, and bankruptcy advocacy. Mr. Shenfeld has also worked at Banc Boston as a managing director and group head for debt and capital markets and leveraged finance, and was a partner at Bankers Trust where he ran the global capital markets sales and trading organization, which included high-yield, distressed debt and credit derivatives. Mr. Shenfeld also worked as a high-yield trader at both Donaldson Lufkin Jenrette and at Salomon Brothers where he began his career in 1983. Mr. Shenfeld has a BA from Tufts University and an MBA from University of Michigan Business School.

Bryan Dunn. Mr. Dunn is a managing director at MidOcean, the portfolio manager of the Investment Strategy and is a member of the investment committee and the risk committee. He also actively advises the Credit Opportunity Fund team on identifying and implementing credit arbitrage opportunities and market hedging. Mr. Dunn has over 20 years of portfolio management experience and has actively managed several multi-billion dollar corporate credit portfolios employing various credit strategies including extensive long/short strategies. Prior to joining MidOcean, Mr. Dunn was a senior portfolio manager at Primus Asset Management where he was responsible for launching and managing the partnership and the master fund. Mr. Dunn has broad product experience and has been an investor in the credit default swap market since its inception. Prior to working at Primus, Mr. Dunn headed the credit portfolio management division at Bank of Tokyo-Mitsubishi where he was responsible for the bank's North American proprietary credit investment portfolio. Prior to that, Mr. Dunn founded Dresdner Bank's credit asset management team and oversaw its investment portfolio. His additional experience includes portfolio management roles in CIBC's loan portfolio management group and JPMorgan's cash management group. Mr. Dunn received an MBA from New York University's Stern School of Business and BA in economics from Ithaca College.

Any delegation by the Investment Manager of (the whole or part of) its functions under the Investment Management Agreement is subject to the prior authorisation of the Management Company acting in accordance with the requirements of the Luxembourg Commission de Surveillance du Secteur Financier ("CSSF") and must be disclosed in this Product Annex.

Liabilities

The Investment Manager shall indemnify and hold harmless the Management Company, the Sub-Fund, and their respective directors, partners, officers and employees (as appropriate) against any and all actions, proceedings, claims, losses, costs, fines, demands and expenses (collectively, "**Losses**") that the Management Company or the Sub-Fund may suffer or incur directly or indirectly, by reason of the Investment Manager's (or its delegates) fraud, negligence, bad faith or wilful default in the performance or non-performance of its obligations and functions under the Investment Management Agreement (collectively, a "**Default**").

The Investment Manager shall not be liable to the Management Company, the Company, the Sub-Fund or any Shareholder for:

- any and all Losses suffered in connection with the Investment Management Agreement and the pursuance thereof by the Investment Manager and its delegates, unless such Losses arise from the Investment Manager's (or its delegates') Default; or
- any and all actions taken by the Investment Manager in good faith to the extent in accordance with any instruction given to it by or on behalf of the Management Company, its directors or authorised persons.

Except as otherwise expressly required under the applicable law, under no circumstances will the parties to the Investment Management Agreement be liable for any incidental and consequential damages (including, without limitation, lost profits), save in the event of fraud of the relevant party, its directors, officers, employees or delegates (or any of their directors, officers or employees).

Termination of the Investment Management Agreement

The Investment Management Agreement is for an undetermined duration. The Investment Management Agreement may be terminated at any time by the Management Company or the Investment Manager upon 90 calendar days' prior written notice.

The Investment Manager or the Management Company may terminate the Investment Management Agreement unilaterally with immediate effect by giving written notice to the other:

- if so required by any competent regulatory authority; or
- if the other party is in material breach of any of its obligations under the Investment Management Agreement and, if the material breach is capable of remedy, it has continued unremedied for a period of 30 calendar days after the party giving notice has given written notice to the defaulting party specifying the material breach and the steps required to remedy it; or
- if the other party breaches the UCITS Directive eligibility requirements and does not immediately rectify the breach; or
- if the other party has a receiver or an administrative receiver appointed over it or over the whole or any part of its undertaking or assets, or passes a resolution for winding up (otherwise than for the purposes of a *bona fide* scheme of solvent amalgamation or reconstruction) or a court of competent jurisdiction shall make an order to that effect, or becomes subject to an administration, enters into any voluntary arrangements with its creditors, or ceases or threatens to cease to carry on business, or fails or becomes unable to pay its debts as they fall due.

The Management Company may terminate the Investment Management Agreement with immediate effect by giving written notice to the Investment Manager if (i) a Key Man (namely Steve Shenfeld or Bryan Dunn) ceases to be a member of the Investment Manager or to participate actively in the management of the Sub-Fund, or the Investment Manager knows that the Key Man will cease to be a member of the Investment Manager and notifies the Management Company of the same or (ii) it is in the best interests of the shareholders of the Sub-Fund to do so, except if a suitable replacement for the Key Man having a comparable level of skill and expertise is selected by the Investment Manager and accepted by the Management Company.

Following termination of the Investment Management Agreement by either party (whether upon 90 calendar days prior notice or immediate notice), the Management Company shall determine in its sole discretion how to proceed with respect to the management of the Sub-Fund by considering and assessing, in the best interests of the Shareholders, suitable alternative solutions, including but not limited to (i) delegating investment authority over the Sub-Fund to a third-party investment manager, (ii) liquidating the Sub-Fund, or (iii) merging the Sub-Fund with another sub-fund of the Company.